



Daily Report

Latin America

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CONTENTS

17 November 1992

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FRONT PAGE

CENTRAL AMERICA

El Salvador

Cristiani Reports on Rescheduling of Agreements [San Salvador Radio]	2
Ponce on Plot to Discredit Forces, Coup Denial [San Salvador Radio]	2
Defense Minister on General Powell Visit [LA PRENSA GRAFICA 16 Nov]	2
Station on Powell's Visit; FMLN Party Denial [San Salvador Radio]	3
FMLN Leaders on Failure To Obtain Registration [San Salvador Radio]	3

Honduras

Nicaragua's Commander Humberto Ortega on EPS, Army [Tegucigalpa TV]	4
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Nicaragua

Resistance Group Reports Coup Attempt Plans [ACAN]	8
Lacayo Rejects FSLN's Criticism of Economic Plan [LA PRENSA]	8
EEC To Invest \$110 Million in Rio Blanco [LA PRENSA 9 Nov]	9

Panama

Linares Urges PCC To Prevent Plutonium Shipment [CRITICA LIBRE 16 Nov]	10
Cruz to 'Replace' PTJ Director Abad With Deputy [Panama City Radio]	10
Free Zone Helps Cuba Bypass U.S. Sponsored Embargo [EL SIGLO 14 Nov]	10
Political Group Issues Communique on No Vote [EL SIGLO 16 Nov]	11
Court Rules Certain MLAT Phrases Unconstitutional [EL PANAMA AMERICA 13 Nov]	12
Costa Rica Rejects Bernal's Asylum Request [CRITICA LIBRE 13 Nov]	12

SOUTH AMERICA

Argentina

Foreign Minister Meets Clinton Team Members [LA PRENSA 14 Nov]	13
Says Relations May Improve [NOTICIAS ARGENTINAS 16 Nov]	13
Menem Says He, Cavallo 'Indestructible Team' [NOTICIAS ARGENTINAS]	14
Cavallo on Mercosur, Coordination With Brazil [TELAM]	14
Potential Sale of 500 TAMSE Tanks to UAE Viewed [LA PRENSA 12 Nov]	14

Brazil

Franco on Government Plans, Need for Fiscal Reform [Brasilia Radio]	15
Franco's Economic Plan Seeks Poverty Eradication [O GLOBO 16 Nov]	15
Government Willing To Negotiate on Fiscal Reform [Brasilia Radio]	16
Government Adopts Measures To Stop Flow of Dollars [O GLOBO 15 Nov]	16
Collor's Industrial Patent Bill Remains Pending [O ESTADO DE SAO PAULO 15 Nov]	16
Collor Said To Give Up Hope of Returning to Office [O GLOBO 16 Nov]	17
Elections Held Normally; No Incidents Reported [Brasilia Radio]	17
National Company To Export AMX Airplane Parts [O GLOBO 14 Nov]	17

Chile

PDC Senator Frei Registers as Presidential Hopeful [Santiago Radio]	18
Poll Shows PDC Frei Favorite Candidate [Santiago Radio]	18
Former Dina Agent Extradited From Brazil, Detained [Santiago Radio]	18

Colombia

Gaviria Accuses Guerillas of Drug Trafficking [Santa Fe de Bogota TV]	18
Security Council Scheduled for 17 Nov [Sant Fe de Bogota TV]	19
Police Claim Medellin Cartel Attacked Officers [Sant Fe de Bogota Radio]	19
Ambassador to Dominican Republic on Embassy Occupation [Santa Fe de Bogota TV]	19

Ecuador

Energy Minister Confirms Withdrawal From OPEC [Quito Radio]	20
Strict Surveillance Imposed on Colombian Border [Quito Radio]	20
Congress Elects New Government Officials [Quito Radio]	20

Peru

Shining Path Calls For 'Armed Strike' in Lima [AFP]	20
Retired General on Role in Failed Coup Attempt [Hamburg DPA]	21
Army Commanders Visit Fujimori, Express Support [Lima Radio]	22
Hermoza Issues Statement [Lima Radio]	22
Political Leaders Express Doubts on Coup Attempt [Lima TV]	22
Fujimori Interviewed on Coup Attempt, Other Issues [Lima TV]	22
Two Injured in Lima Bomb Attacks [Madrid EFE]	28
Article 58 Approved on Discharge of Officers [Lima Radio]	28
Shining Path Leader Huantay Receives Life Sentence [AFP]	28
Law Against Teachers Promoting Terrorism Noted [Lima TV]	29

Venezuela

Rebel Group Occupies Barquisimeto Radio Station [NOTIMEX]	29
Broadcasts Message Against Government [AFP]	29
Device Explodes, Causes Fire at Central University [AFP]	30

Panama

In a note from Foreign Minister Linares to Gilberto Guardia, Panama Canal Commission administrator, Linares stated that the Foreign Ministry "considers it inconvenient and dangerous to authorize" the Japanese ship Akatsuki Maru—carrying 1.7 tons of radioactive plutonium to the Japanese port of Yokohama—to carry its "high risk cargo" through the waterway because it could cause catastrophic consequences in our country," reports CRITICA LIBRE 16 Nov.

Attorney General Rogelio Cruz has sent Judicial Technical Police Director Jaime Abad "on vacation" and appointed Carlos Landero deputy judicial technical police director, to "replace him," reports Panama City radio. It was further noted that District Attorney Emilio de Leon has presented charges against Abad for concealing evidence in the Varela case.

Ecuador

Energy and Mines Minister Andres Barreiro announced that Ecuador "will withdraw from OPEC despite domestic and foreign insistence" not to do so, reports Quito Radio. Barreiro said OPEC "hinders positive development in the oil sector" and cited its "high membership fees." He said the Ecuadoran Government is more interested "in strengthening the Latin American Energy Organization."

Venezuela

An alleged rebel group occupied a western Venezuelan radio station on 16 November and "forced the radio announcer to broadcast a message against President Carlos Andres Perez," reports NOTIMEX. The message rejected Perez' "economic and social policy," condemned the current crisis, and "criticized the current process to reform the 1961 Constitution." The group "remained in the station approximately five minutes and then left." According to AFP, the group identified itself as "members of the unknown 27 February Revolutionary Armed Forces"

El Salvador**Cristiani Reports on Rescheduling of Agreements**

PA1711043192 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 16 Nov 92

[Text] Although the government has made practical changes in its position regarding compliance with the agreements, President Alfredo Cristiani stated that the government has not accepted UN Secretary General Butrus Butrus-Ghali's proposal to reschedule compliance of the agreements. The president said, however, that the government reached an understanding with Butrus-Ghali through an exchange of notes.

[Begin Cristiani recording] May I repeat. No understanding has been reached. I never met with the FMLN. I met with the UN secretary general's delegates. In an exchange of notes, we explained the government's stand on the FMLN's compliance with certain stages of the agreements and the rescheduling of everything related to the reduction, restructuring, and demobilization of the Armed Forces. [end recording]

International messages from the UN secretary general's friends and the U.S. Government were made known a few days ago. These messages reported the Salvadoran Government and the FMLN had accepted the UN secretary general's proposal for the rescheduling. According to reports attributed to President Cristiani, at the end of the month, the government will announce a list of officers to be discharged after being accused of violating human rights. Only on the basis of the administrative measures taken on Army officers—measures to be announced on 29 November—will the FMLN proceed to destroy its weapons. This destruction will signal the total dissolution of Atlacatl Battalion on 8 December.

During his usual news conference, President Cristiani said the Company of Jesus has every right to take legal action against the Armed Forces for concealing information regarding the assassination of the six Jesuits and their assistants. This was reported by Priest Jose Maria Tojeira on 15 November. Cristiani also said that the pardon the Company of Jesus will announce on the same date for soldiers Alfredo Benavides and Rene Mendoza is not necessarily a sign of justice and that, anyway, the government will consider it. Cristiani also announced the Army will initiate deployments of a preventive and dissuasive nature to preclude crime during the coffee crop.

Ponce on Plot to Discredit Forces, Coup Denial

PA1711033992 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 16 Nov 92

[Text] Defense Minister General Rene Emilio Ponce has reported a leftist plot to discredit and destroy the Armed Forces. Speaking to the media over the weekend, Ponce accused leftist groups of stimulating systematic attacks as part of a strategy to discredit and divide the Army.

Although Ponce said the Armed Forces are closely bonded, he did not give many details on the alleged plot. He denied reports of alleged coup attempts in the country, which were attributed to Army officers dissatisfied over the imminent purge of approximately 100 officers, according to a special commission created as part of the peace agreements signed with the guerrillas.

The minister said there are no irregularities in the Armed Forces. However, he admitted that the Army officers are naturally concerned about their future. He added that rumors of alleged coup attempts are being spread by persons with selfish interests. After 12 years of conflict, no one in the Army is planning to change the current state of law. We are cooperating closely with the government of President Alfredo Cristiani so the pacification process can be successfully completed, Ponce stressed.

Ponce reported that the Salvadoran Army's highest-ranking officers met on 14 November with General Colin Powell, U.S. chairman of the Joint Chiefs of Staff, with whom the officers discussed the peace process.

Defense Minister on General Powell Visit

PA1711043392 San Salvador LA PRENSA GRAFICA in Spanish 16 Nov 92 p 3

[Text] Defense Minister General Rene Emilio Ponce stated during an unscheduled news conference that U.S. General Colin L. Powell did not visit El Salvador to stop any coup d'etat but to state his solidarity with the Salvadoran Armed Forces.

Gen. Ponce answered questions from national and foreign newsmen after his meeting with the top U.S. military commander during the latter's visit to Captain General Gerardo Barrios Military Academy on 15 November.

Ponce commented on statements made abroad by Eduardo Molina Olivares, member of the Ad Hoc Commission. Molina Olivares said that Salvadoran Armed Forces people were planning to carry out a coup and other illegal activities in El Salvador. Ponce noted that Molina Olivares, being a leftist, had to say that to fulfill orders from communist groups.

Ponce explained that this sort of statement forms part of a communist plan aimed at discrediting the Armed Forces, at confusing the people, and at gaining sympathy from the civilian population to accomplish traditionally anarchic objectives.

Regarding compliance by the Farabundo Marti National Liberation Front [FMLN] with the peace agreements, Ponce said that this organization must comply just as the government and the Army are complying with the peace treaty since there is no excuse for not complying.

Ponce said that some of the pretexts wielded by FMLN leaders to avoid complying with the treaty are incredible. He noted that by acting this way, that organization is seriously harming the people, who have to endure unrest and anguish.

The defense minister said that the Armed Forces will continue cooperating with dignity and patriotism in favor of the peace process. He noted, however, that the Armed Forces are opposed to any new rescheduling after the 15 December deadline.

Station on Powell's Visit; FMLN Party Denial

PA1611174692 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 16 Nov 92

[Station commentary read by Raul Beltran Bonilla]

[Text] General Colin Powell, the man who managed the Desert Storm operation so efficiently, has come to calm the storm in El Salvador. Make no mistake. He has not come because he likes our fried cheese tidbits or our pork rinds. No, he comes to put the house in order.

The Salvadoran storm seems to be quieting down. Man's worse enemy is time. Irreversibly—hear this well—time consumes us. Try as we may to stick to life, time is our worst enemy.

The Farabundo Marti National Liberation Front [FMLN] has asserted that the registration process of the Supreme Electoral Tribunal enrollment was crooked. Three officials said No and two said Yes to the FMLN registration request. The FMLN stated that the ones who said No are those who are always using tricks and placing obstacles everywhere.

We recall when the government said to the guerrillas: Come down from the mountains. Surrender your weapons and join the political process. Today, the guerrillas want to register as a political party and the government is posing all sorts of demands. What does the United Nations have to do with the accreditation of political parties? To allow this is to break a legal principle.

Well, the important thing is that Gen. Colin Powell has come to the country to meet with the president of the Republic and the Salvadoran Army's high command. He comes here after visiting Argentina, Chile, and Brazil where he received several awards.

The importance of Gen. Powell's visit is that he has not gone to Panama or Venezuela where the problem is very difficult. He has not visited Nicaragua, Costa Rica, Honduras, or Guatemala, and will not make a stopover in Mexico. He stopped in El Salvador.

Although we are in the last phase of the compliance of the January agreements, the visit of the U.S. military chief occurs more than 48 hours after the U.S. Government and countries backing the UN secretary general's efforts in the Salvadoran peace process, such as Spain, Mexico, Colombia, and Venezuela, have publicly called both parties to fulfill the Chapultepec agreements on the scheduled deadline. They have said to both parties: Keep your agreements. Salvadorans have to be most attentive to ensure that both parties comply with the agreements.

We know the government has a burning ember in its hands. Currently it is not easy to be in the president's

shoes, when he has to purge the military institution and the Army's command staff. This action is of utmost importance for the government and the agreements. The other party has to eliminate all its armed forces. The FMLN has to purge itself completely and turn in all its weapons, up to the last cartridge and bullet. The FMLN has to state: No more armed men in the mountains. No more urban commandos. We will be a political party.

Will the parties comply? Time will tell.

FMLN Leaders on Failure To Obtain Registration

PA1711034092 San Salvador Radio Cadena YSU in Spanish 1800 GMT 16 Nov 92

[Text] The Farabundo Marti National Liberation Front, FMLN, has filed an appeal with the Supreme Electoral Tribunal [TSE], asking that the tribunal, which was created by the peace agreements, legalize the guerrillas as a political party. Last week, the TSE decided not to register the FMLN as a political entity until the guerrilla organization totally disarms.

The TSE resolution is not legal, according to Gerson Martinez, a member of the FMLN Political Committee.

[Begin Martinez recording] In the first place, the TSE resolution is at variance with and completely contrary to the sentiments of all our people and of the democratic society. Second, and most important, the TSE refusal shows one thing: the TSE, or at least the TSE magistrates who signed that resolution, are not independent of the other branches of the state. Above all, they have shown no autonomy or independence from the Nationalist Republican Alliance, Arena. [end recording]

Martinez said the TSE position shows a clear lack of independence and is the result of pressure from the country's extreme right wing.

The TSE has 11 days to legalize the FMLN, according to Marcos Jimenez, another member of the guerrillas' political leadership.

[Begin recording] [Jimenez] It has 11 days, because Decree No. 303 expires on 27 November.

[Unidentified reporter] [question indistinct]

[Jimenez] Well, that question should be directed to the TSE. We are prepared to wage whatever political battle is required to be registered. [end recording]

Gerson Martinez said the refusal to register the FMLN as a political party has generated a crisis, and is a clear violation of the republic's Constitution and the peace agreements.

[Begin Martinez recording] It is a violation of Decree No. 303, and above all, it is a violation of the law. What is even more serious is that it is a violation of the peace treaty, which also has legal standing. It is a violation of agreements the government itself signed. From now on, who is going to trust these people who signed those agreements before the international community, and are now retracting? Who is

going to trust [Arena President] Calderon Sol, [President] Cristiani, or Arena? Who is going to trust them when they violate their own word and trample on the interests of our people who are in favor of peace? [end recording]

On the same subject of FMLN registration as a political party, Arena asked the TSE several weeks ago not to register the guerrillas until they disarmed formally. The FMLN has already demobilized some 5,000 former fighters. As of 20 November, it still had 40 percent of its military structure intact, pending the government's compliance with the peace agreements. The FMLN appeal was presented in conjunction with an FMLN march and subsequent rally in front of the TSE installations.

Honduras

Nicaragua's Commander Humberto Ortega on EPS, Army

PA1711032092 Tegucigalpa Telesistema Hondureno
Television Network in Spanish 0300 GMT 13 Nov 92

["Exclusive" interview with General Humberto Ortega, commander in chief of the Sandinist People's Army, EPS, by journalists Edgardo Melgar and Carlos Riddel in Tegucigalpa; date not given—live or recorded]

[Excerpts] [passage omitted] [Melgar] Your brother, Daniel Ortega, who is secretary general of the Sandinist National Liberation Front [FSLN], is against you.

[Ortega] [Words indistinct] I currently am the chief of the Army.

[Riddel] Three or four days ago we heard an international report saying Daniel Ortega told President Violeta Chamorro that if the situation did not change, there would be huge public demonstrations in Nicaragua.

[Ortega] I think this is true. I understand there was a meeting held between the FSLN National Directorate, headed by Secretary General Daniel Ortega, and the Nicaraguan Government to discuss the different problems that exist and to face the difficult situation in the country.

[Melgar] What would you do as EPS chief if the FSLN takes to the streets to stage strikes and arms itself as has happened before?

[Ortega] President Violeta Chamorro has said that now that there is democracy in Nicaragua, the people have the right to strike. She said people could not exercise this right in the past.

[Melgar] But we are referring to an armed strike. People have been injured and there is the possibility of fatalities.

[Ortega] In past occurrences, we have supported the police, and we have given evidence of this. We support the police in maintaining order if the law has been broken.

[Melgar] In this respect would you give coercive orders...

[Ortega, interrupting] Most logically...

[Melgar continues] ...also applicable to Sandinist Front activists?

[Ortega] We have already done so. We have done so on various occasions including an event when the police were forced to control a strike by EPS members who were forced to retire. As a result of the difficult economic situation the government was undergoing, it was impossible to give them all their retirement benefits, which they deserved. Armed persons participated in the protest march. The police were overpowered, but we mobilized our [word indistinct] troops and were able to control everything. When there are social conflict situations, we are always ready to support the police. We help if the police are overpowered and the workers' strike starts to get out of hand. We also help if someone goes around with weapons, explosives, or if they want to burn a building or a vehicle. The police will not allow this.

[Melgar] Are you still a Sandinist, General?

[Ortega] Yes, I am still a Sandinist.

[Melgar] Then, you are a Sandinist from the government repressing other Sandinists protesting neoliberal policies?

[Ortega] It is one thing to be a Sandinist, and another thing to be a member of the Sandinist party. President Violeta Chamorro herself pointed out that her husband, who was a victim of the Somoza regime and died during the struggle, was one of Sandino's main admirers. In this respect we are all Sandinists, just as everyone here is from Morazan [Morazanico]. One person can be a member of the Liberal Party [PLH], or, what other party do you have here?

[Melgar] The National Party [PNH].

[Ortega] Indeed, the PNH, or whatever other party. They are different in this respect, yet they are all from Morazan.

[Melgar] One more question, General...

[Ortega, interrupting] That is the situation we are currently experiencing in Nicaragua.

[Melgar] During the 1980's, the strength of the EPS [words indistinct]. There was the Sandinist Front and the EPS which fell under the government.

[Ortega] That is the way it was then.

[Melgar] Would the EPS be considered today as a power within another power?

[Ortega] No. We are a Nicaraguan state institution. The difference lies in that, now that there is no war, it has been easier to part with the link that necessarily existed in the past between the Sandinist Front as a political party, the Sandinist Front as a government, and the Sandinist Front as a military institution. All of this was one big concoction, and it restrained defining the state's institution adequately.

[Melgar] If you have a new Army, what is the difference between the EPS, which fought against the Nicaraguan Resistance, also called counterrevolution, and the EPS which you talk about?

[Ortega] The level of its professional skill. We were a massive Army, a very big Army, comprised of more than 100,000 members, but the level of its professional skill was very limited. It included a small number of officers and our combat capacity mainly relied on the massive amount of our military forces.

[Melgar] It was modernized?

[Ortega] That is the difference. We are now the smallest Army in Central America but, qualitatively speaking, we have achieved a different level.

[Melgar] Does the EPS maintain the same ideology it had in the past?

[Ortega] EPS ideology is basically ruled by the Constitution of the Republic and respect for the law.

[Melgar] Tomas Borge once said: You want to know if we are Marxist-Leninists. Yes, we are Marxist-Leninists.

[Ortega] Well, the FSLN.... [pauses] even during the FSLN rule, we never dared—personally speaking—to talk like this. We are patriotic, nationalistic, and revolutionary from the political viewpoint.

[Riddel] Are you still a revolutionary?

[Ortega] I am a revolutionary, of course.

[Riddel] What do you think about Fidel Castro?

[Ortega] I think each nation has its own characteristics. In Nicaragua's case, I believe the essential thing is that we understand the revolution is a dynamic process full of changes. Violeta Barrios de Chamorro, our current president, could not have strengthened our democracy without the revolution which ousted Somoza in 1979. If the EPS had lost the war against the contras none of us, including President Chamorro, would currently be in Nicaragua. Therefore, when I say I am a revolutionary it should be interpreted in the broad sense of the word, meaning we struggle democratically to achieve social justice, economic development, and social equity in Nicaragua. There are other revolutionaries with a more dogmatic, schematic, and fanatic position within the FSLN but this does not mean I identify with them. We are revolutionaries, Sandinists, and we sympathize with the FSLN but this does not obviate our pledge to obey the Constitution, abide by the law, and act as military members and as professionals.

[Melgar] General, do you think this revolutionary ideology is similar to other Central American Armed Forces' ideology?

[Ortega] Our revolutionary ideology is undeniably different in many ways, but our pledge as a military institution—to respect the law and the Constitution—is the same.

[Melgar] Mr. Ortega, reporters remember the Sandinist revolution's triumph in Nicaragua and the support it received from President Fidel Castro. Now you tell us he is a revolutionary with whom you do not share many ideas. Please tell us about that.

[Ortega] Well, what I said was this: What we have been doing in Nicaragua is revolutionary. When Daniel Ortega won the elections in 1984—the first time we held elections—no country in the former Socialist bloc talked about elections. It was heresy. In 1984 we talked about elections, and we also supported and talked about a mixed economy, political pluralism, and participation by other parties in politics. Many Socialist bloc countries thought this was incorrect, but we thought it was correct.

Under the current circumstances.... [pauses] what we did was allow a clean electoral process. President Chamorro won and Daniel Ortega turned over the presidential sash, although many could not understand it. That is something revolutionary for us. We lead an Army which defends the Constitution and is subordinated to whichever government rules the country—be it Sandinist, Social Christian, Liberal, or Conservative. That is revolutionary for us. We believe we act according to the situation prevailing at the end of the century, when we consider another option—which we consider democratic—and we are being consistent with our role as revolutionaries.

Referring to Cuba.... [pauses] Fidel Castro, whom we have always respected and continue to respect as an important figure in Latin America.... [pauses] if they have a given system, that is the Cuban people's problem. I can tell you that if you try to implement a system like Cuba's in any Latin American country it would not be viable. I am not saying that what they have in Cuba is bad. I do not dare say that. What I mean is that it is not applicable to our situation. We have a revolutionary origin and if we implement a given type of system, this does not undermine our position as revolutionaries.

[Riddel] Does your brother share this opinion?

[Ortega] He thinks differently. He has another set of values, even on the conduct a revolutionary should currently have toward non-Sandinist groups.

[Riddel] Do you think Fidel Castro's attitude is revolutionary and democratic, as you understand the word revolutionary?

[Ortega] I think Fidel Castro has his own views and position, which he believes benefit the Cuban people. I do not really know. The Cubans are the ones who can best understand their problem but, as far as Nicaragua is concerned, what we are doing is the correct thing, the revolutionary thing. Doing something else would be illogical.

[Riddel] What is Cuba's outlook under the system implemented by Fidel Castro?

[Ortega] I cannot tell you, but I can tell you this would not be applicable in our case.

[Melgar] Another thing. Going back to Nicaragua, what kind of pressure has the United States exerted to remove you from your post?

[Ortega] The United States, meaning the Reagan administration, tried to destroy everything that implied a revolutionary change in Nicaragua, which led us to the war you know about. This resulted in the country's economic ruin and this is precisely one of the problems currently afflicting Nicaragua. The economic crisis was caused by the U.S. economic blockade and the war. The United States sought to destroy Sandinism and the Army. President Bush then changed Reagan's policy, but there are still some men with obsolete positions, like Jesse Helms. They have exerted their influence and used the electoral campaign which just ended in the United States to exert pressure on the Nicaraguan Government. They are displeased with the Sandinists and the Army, which has nothing to do with the FSLN, and they demand a series of concessions that cannot be granted because this would go against the country's dignity, against the Constitution and the law, and against the military corps. In other words, pressure has been exerted—not to remove me but to destroy the Army.

[Melgar] What will happen in Nicaragua if it does receive U.S. economic aid?

[Ortega] The truth is the economic aid will not come. The \$100 million needed for this year will practically make no impact if it is released at this point. I believe the most important thing is that Nicaraguans have begun to realize we cannot depend on any foreign aid. In fact, \$100 million will not solve Nicaragua's problems—not even \$200 million. We would need \$2 billion or \$3 billion for this, which must be a result of our own production. Currently Nicaragua cannot even get \$300 million from its overall production. Current problems cannot be solved with \$100 million. Obviously all aid is important but the most important thing is not to depend on that aid. Nicaraguans must essentially create an atmosphere of confidence to produce what we need to solve our problems.

[Melgar] Many people believe Mrs. Violeta de Chamorro does not succumb to U.S. pressure to remove you from the head of the Armed Forces because if she does, possibly the EPS, which is now under your command, will do the same to her.

[Ortega] The problem is when there is a president as responsible as Mrs. Chamorro.... [pauses] to my way of thinking she has been acting responsibly and intelligently. If she is dedicated to reconciliation, I believe this is the best thing for Nicaragua. Previously, the Sandinist government, because we were fighting a war, became very polarized. We made mistakes because we were very inclusive and believed

we could organize society with revolutionaries and Sandinists. There is a whole range of sectors that have to be considered in a national effort to get Nicaragua out of its very backward and underdeveloped ways. The president's policy is to consider everyone in her government. We must understand that Sandinism is just a political party. That is why this government is intelligent when it tries to get along with the strongest parties in the country, in this case the FSLN and other parties.

[Melgar] If you were separated from your post, could the EPS overthrow Mrs. Chamorro?

[Ortega] No. The problem is this: The people see the active Army as the government's fundamental backbone. Without the Army, it would have been very difficult to disarm the 40,000 citizens who have turned in their weapons, which have been destroyed. Why? Because they see Nicaragua's current Army is not a Somozist army such as....

[Melgar, interrupting] Excuse me. There are still many weapons that have not been turned in.

[Riddel] There are many weapons in the hands of civilians and in the hands of Sandinist civilians. Is this not a FSLN political branch that is armed?

[Melgar] Are you aware that so many arms are dangerous?

[Ortega] Of course. That is why we have been doing our best to disarm civilians. We have destroyed 40,000 weapons so far this year.

[Melgar] What would happen if Mrs. Chamorro removes you from your post? What happens if the EPS goes against her?

[Ortega] Let me put it this way. I understand this program has widespread coverage and is well liked here in Honduras. I believe if you are doing a good job at this television network, it would be absurd for the manager or the owner to fire you.

[Melgar] Separate us.

[Ortega] Separate you. More so if this was outside the law. This is what happens in Nicaragua. The president is intelligent. First of all there is no reason to go against the Army when the Army is playing its role. Anyway, to bow to pressures to remove someone in the Army is against the Constitution and the law and this cannot be allowed. The president is intelligent enough to understand she is ruling within the Constitution's framework and cannot depend on the whims of the people who want—not for Humberto Ortega to leave, but for the whole Army command to leave—the Army to disappear. There have been U.S. pressures to this end, but this is not viable. I believe the ideal thing for Nicaragua is that all Nicaraguans understand this once and for all and stop exerting pressure on things that cannot be.

[Riddel] I must again insist there are still many armed Sandinists in Nicaragua. Is this not a threat to Mrs. Chamorro's government?

[Ortega] I believe if it were really a threat, with 50 percent of the people unemployed, thousands of Sandinists without a job and armed, these people would have revolted a long time ago. In fact, perhaps right now there are more people armed than the Army, as we total 16,000 men. The people do not want war. These 40,000 people whose weapons were destroyed do not want war. We estimate about 30,000 people have not turned in their weapons because they feel threatened by certain bandit groups operating in the north and in the mountains. They have these weapons to defend themselves from these groups because the Army is no longer present in the area. [passage omitted]

[Melgar] As you are a high-ranking military officer, how can you explain the annihilation of the former contra chiefs?

[Ortega] In Nicaragua there has never been an extermination policy regarding the contra chiefs. Over 90 percent of the former members of the Nicaraguan Resistance [RN], now live and coexist with FSLN followers, whom they used to confront to the death. We have an excellent relationship with the former members of the RN and the international organizations have confirmed that there has been no extermination.

Furthermore, there is a commission investigating over 200 cases of deaths of FSLN supporters and approximately 60 cases of deaths of RN members. The cases reported by both parties are being investigated by the commission made up of the Church, the International Commission of Support and Verification, and the government.

[Melgar] Has the disappearance of the Soviet bloc forced the FSLN to change its image and appear to be democratic?

[Ortega] Since we started struggling as revolutionaries against Somoza, we wanted a democracy in Nicaragua. Then came the war and we became a radical group as the Leftist Revolutionary Forces, and fell into that classification. Only one thing has been clarified by the collapse of the socialist bloc—the precept of the East-West Confrontation has been overcome and the pretext of the threat of the Soviet Union no longer exists. Now, it is clear that the roots of violence and instability are the serious economic and social situation in Latin America, \$400 billion of foreign debt, and the crisis we all know so well and which our peoples are experiencing. In Central America alone there are over 27 million persons living in poverty and extreme poverty according to the United Nations. That is the cause for the instability and the political and armed violence. The socialist bloc ended with a failed attempt at achieving something, but we must also bear in mind that Latin America must solve its own problems. [passage omitted]

[Melgar] What do you expect from Democrat President-elect Clinton, once he reaches power?

[Ortega] We expect Clinton to continue on the path of leaving behind the confrontation, [word indistinct], war,

and blockade policies which Regan maintained with Nicaragua. Bush improved relations with Nicaragua by changing Reagan's policies. Even though Bush changing Reagan's policies was an advancement, there are still some incorrect policies, such as the recent pressures on Nicaragua and I hope Clinton will now continue on a positive path.

[Melgar] Before ending the program, please allow me to ask one last question. General, on many occasions you have been the subject of contradiction in Nicaragua. On one hand, the United States conditions the economic aid to your leaving your office as commander of the EPS, on the other hand, the recontras are demanding President Chamorro remove you. In addition, some FSLN members, of which you were a member, are against you and accuse you of being a traitor. Why do you not resign to avoid the problems?

[Ortega] The problem is not my resignation, but my important duty with the Army—to leave the Army in total stability. The Army still requires a process of transition to complete its professionalization process. [Words indistinct] I have to remain at its head so that the Army does not [words indistinct] If I leave its command, as the U.S. reactionary sectors want—sectors which are not only asking for my head, but also those of all the Army commanding officers—there would be chaos inside the Army. Instead of having an Army they do not like, there would be many small armies in Nicaragua, [words indistinct] and the men who are armed and who are not organized, would regroup and there would be a new [word indistinct] in Nicaragua.

In that sense, one tries to fulfill a duty. I feel I have the duty of preventing that and to lead the Army on a path toward professionalism which many do not understand and which others, even communists, consider—as you said—evidence that we have left our revolutionary ideals.

[Melgar] General, before ending the program, would you deliver a message to the Honduran people?

[Ortega] I would like to thank you for giving me the opportunity to appear before the Honduran people through your program. I have felt at home here. It has been very interesting and I have tried to be as honest as possible in answering the questions. I would like to tell the Honduran people that Nicaraguans have always been very close to Hondurans and they should see the good things in life. I believe the good thing is that we can sit here, come to this program, walk the streets of Honduras and be greeted by the people, and that the Armed Forces may be criticized by both countries and that we have been confronted to death, but that now we are not and we are trying to live in a civilized way and listen to each other, even if we think differently. We are doing all this to live in peace, so our countries can overcome our serious problems which are suffered mainly by the poor people and those who live in misery. I think this is the good thing, I believe we must see the positive things. It is better to be here today, than at the border shooting at

each other. These are firm steps in our Morazan-style unity, which we value so much.

[Melgar] Thank you very much for being here General.

Our guest tonight was Gen. Humberto Ortega, chief of the EPS.

Good evening, and may God bless you all.

Nicaragua

Resistance Group Reports Coup Attempt Plans

PA1711014292 Panama City ACAN in Spanish 1638 GMT 14 Nov 92

[Text] Managua, 14 Nov (ACAN-EFE)—The so-called Nicaraguan Democratic Forces for National Salvation (FDSN) reported on 14 November that the Sandinist Front had initiated "the star plan," which aims to consolidate the "cogovernment" with President Violeta Chamorro's administration.

A FDSN communique distributed in Managua asserted that the plan consists of a "political-military coup attempt" by the "recompas" (former rearmed Sandinist soldiers) and members of the National Workers Front (FNT-Sandinist).

The FNT is the same union that protested in front of the Presidential House on 13 November to demand jobs, the privatization of firms to favor workers, and the 15 percent sales tax.

According to the FDSN, who launched their first military operations in November 1991 in the northern mountains of Nicaragua, "the star plan" will be used to "press us into a state of instability" before the Christmas holidays.

The FDSN began its operations with about 300 men from the former Nicaraguan Resistance [RN] who did not disarm or demobilize in June 1990 when 22,500 former contras disbanded.

The 2,000 fighters who now make up the FDSN, with reinforcements from the so-called "Patriotic Opposition Union" (UPO), are currently carrying out "guerrilla warfare activities" in the mountains in the center and the north of the country to counter the 3,000 men-strong Army offensive known as "surge 92" [repunte 90].

The FDSN leadership, made up of former members of the chiefs of staff of the dismantled anti-Sandinist contras, is fighting to achieve the total disarming of the Sandinists, the abolition of the Army, and the application of the president's original government program.

They are also fighting to end the 'anarchy' within the government—which has been granting loans to Sandinists and not to former RN members—by demanding the investigation of the murders of dozens of former contras, including former Somozist Colonel Enrique Bermudez.

"Cobra" a spokesperson for the UPO, which is an urban political-military organization of some sort, told ACAN "we are not against the Sandinist National Liberation Front functioning as a political party. We do condemn, however, the armed pressure they exert on other political organizations."

"We (the FDSN and UPO) will disarm and demobilize when the government disarms the Sandinists," he added.

Lacayo Rejects FSLN's Criticism of Economic Plan

PA1211200692 Managua LA PRENSA in Spanish 10 Nov 92 p 1,12

[Report by Felix Navarrete]

[Text] On 10 November, Presidency Minister Antonio Lacayo described the 9 November communique issued by the FSLN [Sandinist National Liberation Front] questioning the government's economic program as "populist." Minister Lacayo also pointed out the FSLN has merely limited itself to criticizing the economic plan, but did not offer any alternatives.

Mr. Lacayo indicated the FSLN knows quite well the economy moves according to fixed rules and is based on the will of producers and workers to forge ahead. "It is hardly based on vertical mandates," Lacayo pointed out.

The presidency minister also stated the FSLN's attitude in pointing out the alleged recession in the economy was "unacceptable." He also indicated the Sandinists lacked the moral authority to criticize something they themselves caused during the "dreadful recession" that took place in Nicaragua when they were in power and implemented their vertical policies.

In exclusive statements to LA PRENSA, Lacayo, in addition to questioning the Sandinists' position, announced a round of talks with the business, labor, and political parties scheduled to take place during the next few days. The talks are aimed at evaluating 1992 and to receive recommendations for 1993 on the government's economic program.

Minister Lacayo invited all Higher Council of Private Enterprise chamber presidents to a meeting scheduled for 11 November. The private sector representatives and members of the government's cabinet will meet during a working breakfast to discuss an agenda that includes reviewing current economic policies. In addition, the government expects to request recommendations from the private sector.

As part of the round of conversations, Lacayo has anticipated further bilateral meetings with some UNO [National Opposition Union] parties that, up until now, have opted to maintain a certain distance from the

executive branch. These UNO parties include the Liberal Constitutional Party and Popular Conservative Alliance. The objective of the round of conversations is to look for solutions to the current political problems.

The presidency minister also referred to the document issued by the FSLN demanding an immediate government reply to its 25 July proposals, where it stresses the need for an immediate "change of direction" in the government's economic program.

This time the FSLN document warned the government that if it "continues to disregard the people's grievances, it should not be surprised to find that its credibility is being questioned by the protests of a people that will continue to demand the government honors its duties and obligations."

Referring to the document's warnings, Lacayo emphasized that the economy follows set rules and hardly accommodates to "vertical mandates," which were the main feature of the Sandinist government during their decade in power. He described this period as "the most atrocious in Nicaragua's economic history."

Minister Lacayo stated the FSLN, as a political party, has the right to have its opinions on the government's economic program voiced, as well as heard. Evidence of this lies in the fact the government and the FSLN are scheduled to meet on 12 November to discuss the issue.

Nevertheless, Lacayo was clear in pointing out that delicate issues such as unemployment, the housing shortage, as well as the severe economic crisis the country is experiencing, are not a by-product of the current administration, but resulted because of what "they brought on" during their decade in government.

"The Sandinists are now trying to blame the economic program for all the shortcomings that are still plaguing the country as a result of their government," Lacayo indicated. He also pointed out the FSLN has been addressing its grass roots with populist speeches.

On the other hand, Lacayo called on all workers of the labor, business, and political sectors of Nicaragua "to enter a dialogue with facts in hand, and to suggest changes that may lead to improve the economic plan." He warned, however, that it is unacceptable to say the Nicaraguan economy has moved backward as the FSLN document contends.

The head of the ministers cabinet said it must be acknowledged—with facts in hand—that production during 1992 has been greater than during 1991. In addition, the number of people benefiting from health and education services has been greater during 1992 compared to the previous decade.

Minister Lacayo acknowledged, however, that the economic improvement had not taken place to the extent that all Nicaraguans would have expected. This is a result of various obstacles they hope will be overcome by 1993.

When asked if the government will forward the 1993 budget to the National Assembly, Lacayo stated the government will wait until the situation at the National Assembly normalizes and then forward the budget proposal.

Likewise, he pointed out that some political parties have requested the Supreme Court of Justice for "some time" to look for some type of political accommodation within the National Assembly.

Presidency Minister Lacayo concluded by saying that "we hope the situation can be solved either through a political understanding or by means of a Supreme Court ruling."

EEC To Invest \$110 Million in Rio Blanco

PA1111032192 Managua LA PRENSA in Spanish 9
Nov 92 p 2

[Report by Maria Elena Palacios]

[Text] Rio Blanco—The EEC will invest \$110 million in the Overall Rural Development Plan for Rio Blanco, Presidency Minister Antonio Lacayo announced before hundreds of residents gathered at the central plaza in that municipality, north of Matagalpa.

Lacayo traveled to the area accompanied by several government officials. He said the project, which will be implemented in the first months of 1993 and will last four years, will improve the citizens' standard of living.

Some objectives of the plan are supporting production, maintaining ecological balance, making rational use of natural resources, improving roads, providing technical training to producers—including former members of the Nicaraguan Resistance, RN, who were demobilized—and improving potable water and electricity services.

"This plan will make this one of the most privileged municipalities in 1993," Lacayo said. He added that the government will support the efforts undertaken by producers who are interested in installing a cheese factory following the successful model of producers in Camoapa.

Another step taken in response to producer demands in that locality was the inauguration of a silo for basic grains with support from the World Food Program and financed by the National Bank.

Lacayo said the government will ask the National Bank to grant more credits to the cattle sector in that area to meet the needs of a considerable number of producers. He also announced a project to connect roads in the Matagalpa area.

"We have scheduled the construction of 75 km of road from Boaco to El Porton for next year. By 1994 we plan to complete the road from that point to Muy Muy, and by 1995 from Muy Muy to Matiguas," Lacayo said.

During that same meeting, Lacayo delivered sports equipment to Rio Blanco Mayor Vicente Juarez to show the government's support for youth recreational activities in the area.

Daniel Nunez, president of the National Union of Farmers and Cattlemen, UNAG, gave a speech urging all Rio Blanco producers and people in general to "work together, disregarding political differences to maintain the peace we have built."

"We support the government because we believe that is the best way to maintain peace and contribute to the country's development. We have confidence in President Violeta Chamorro, and we support her," Nunez stressed.

He added that "to any politician who should try to use our problems for their own benefit, we will say that the best way to help our fatherland is through work."

Several producers also delivered speeches during the meeting, including a leader of the demobilized members of the former RN, who demanded physical protection due to numerous crimes committed by armed groups in the area. The government then promised to step up the disarmament process in the next few months.

Panama

Linares Urges PCC To Prevent Plutonium Shipment

PA1711020892 Panama City *CRITICA LIBRE* in Spanish 16 Nov 92 p 10

[Note from Foreign Minister Julio Linares to Gilberto Guardia, Panama Canal Commission (PCC) administrator, in Panama City on 11 November]

[Text] Note No. 983
Mr. Administrator:

I wish to address you on the concern citizens and this Foreign Ministry have over the possibility that the Japanese ship Akatsuki Maru—which left the military port of Cherbourg, France, with a cargo of 1.7 tons of radioactive plutonium en route to the Japanese port of Yokohama—may cross the Panama Canal with all the risks and dangers this represents for the population and the ecology in case an accident occurs.

Therefore, this Foreign Ministry considers it inconvenient and dangerous to authorize the Japanese ship to carry its high risk cargo through the waterway because it could cause catastrophic consequences in our country.

I hope the previous criteria is taken into account when considering the transit of ships which—due to their function, means of propulsion, weaponry, or cargo—represent a danger to the population, ecology, and the Canal's facilities.

Panama City, 11 November 1992

Cruz to 'Replace' PTJ Director Abad With Deputy

PA1711135492 Panama City Radio KW *Continente* in Spanish 1200 GMT 17 Nov 92

[Text] Attorney General Rogelio Cruz has sent Judicial Technical Police Director (PTJ) Jaime Abad on vacation and appointed Carlos Landero, deputy judicial technical police director, to replace him. District Attorney Emilio de Leon has presented charges against Abad for concealing evidence in the Varela case.

Free Zone Helps Cuba Bypass U.S. Sponsored Embargo

PA1611182292 Panama City *EL SIGLO* in Spanish 14 Nov 92 p 3

[Article by Tomas Cabal from the "latest" edition of Spanish magazine CAMBIO 16]

[Text]

Salvation Zone

Cuba is bypassing the embargo with the help of firms that ship products to the island from the Panamanian free zone.

Trade between Panama and Cuba through the Colon Free Zone is keeping the battered Caribbean island's economy alive despite the economic embargo imposed by the United States. The zone is located in a Panamanian city which has become a free trade zone. Cheaper products and others that are manufactured with Panamanian labor may be found there, all of which may be exported without paying customs duties.

The embargo—which has been maintained for over 30 years—had always been enforced, except for products sold by U.S. subsidiaries operating in Latin America. With the signing of the so-called Torricelli bill by U.S. President George Bush, however, the economic embargo against Fidel Castro's regime will be tightened. The new law also prohibits branch offices abroad from selling their products to Cuba.

In other words, the purpose of the new law is to eliminate any possible fissures from the U.S. embargo. The new laws are expected to bring more shortages to the Cuban communist regime, which has seen the collapse of its relations with the former Soviet Union and its former satellites in eastern Europe.

Ironically, despite the cooling down of the diplomatic relations between Panama and Cuba following the U.S. invasion of Panama in December 1989, the free zone—the largest in the western hemisphere—seems to be the life preserver of the Cuban economy. According to forecasts, Cuba will purchase \$100 million in products from the Colon Free Zone this year.

Experts say the application of the Torricelli bill will make this trade relation gain importance. The business relation is conducted through various fictitious firms,

which are operated by the Cuban Government in Panama. The sales, which only represent a small percentage of the \$7 billion generated by the Colon Free Zone in 1991, are essential for the Cuban economy.

Cigarettes, television sets, electrical appliances, tires, cosmetics, blue jeans, and shirts are just some of the 100 products, which the Cuban comrades pay for in cash at the Colon Free Zone. The trade totals some 10,000 tons per year and the dictatorial, or communist nature, of the Cuban regime does not seem to adversely affect Panamanian salesmen. As one salesman said "business is business." Payments are made through certain European banks and it only takes a telephone call or a facsimile to set up the transaction.

According to the businessmen who sell their products to Cuba, the U.S. embargo is ridiculous, however, it concerns them because they do not want to offend their powerful northern neighbor. Panamanians say the merchandise sold to Havana is manufactured by U.S. subsidiaries in Brazil, Mexico, and Argentina.

Documents obtained by CAMBIO 16, however, reveal that U.S. products come into the Colon Free Zone and are reexported from there, which constitutes a flagrant violation of the economic embargo. Panamanian companies Cohen and Attia International, Casa Bee's, and Motta International have conducted business with the Cuban Government on a regular basis. As a result of those activities, the U.S. Government prepared a list of 200 companies that sell "banned products" to the island. It has also been discovered that several government figures represent foreign companies that violate the embargo.

The constant commerce with the free zone has forced the Cuban Government to lease their own vessels since the new Torricelli bill bans the entry into the United States of ships that dock in Cuba. Other sources disclosed that the company Servinaves makes two monthly trips for the Melfi Marine Corporation, owned by the Cuban Government.

In addition to Servinaves, shipping company C. Ferni leases vessels to Cuba and brings back Cuban products, which are sold through the free zone. Rum, tobacco, textiles, synthetics, costume jewelry, and sports products are among those items whose sale presumably netted \$300,000.

The limited finances of the Castro regime, with its lack of strong foreign exchange, have made Cuban enterprises resort to bartering as the means of selling their products abroad. They exchange rum and sugar for farming machinery with Brazil and Argentina. They exchange marble and nickel with Canada. Since 1990, Brazil, once Cuba's greatest trading partner, has reportedly sold \$50 million worth of U.S. products to the island, as reported by INTEGRACION LATINOAMERICANA magazine.

To make its payments, Cuba uses lines of credit from Swiss and Spanish banks, two countries that have a privileged position with the Cuban regime thanks to their investments in the tourism sector. The foreign exchange generated from tourism along with the free

zone represent the pillars of the battered and inefficient Cuban economy. The diplomatic estrangement between Panama and Cuba—caused by the expulsion of the Cuban ambassador—seems to have no impact on Panamanian authorities. Foreign Minister Julio Linares said "there is no reason why Panama must abide by the U.S. embargo. Panama is free to trade with persons and organizations it deems appropriate, and trade with Cuba continues its normal course."

Following Operation Just Cause, which toppled the military dictatorship of General Manuel Antonio Noriega, Panama reduced to a minimum the Cuban diplomatic presence in protest to the critical stance adopted by the island. None of this, however, affected trade between the two countries. Although many believe the U.S. presence and influence are constant in the administration of Guillermo Endara, Panama continues to sell its products to Cuba.

This situation allows Fidel Castro to survive the extensive, economic embargo imposed by the United States.

Political Group Issues Communique on No Vote

PA1611214392 Panama City EL SIGLO in Spanish 16 Nov 92 p 71

["Communique" issued by the National Front for a Constituent Assembly, Freno, in Panama City on 15 November]

[Text] 1. The people's will, the only foundation of every democratic system, has been expressed in a clear and sounding manner at the polls against the reforms and the pro-military 1972 Constitution, and against the procedure elected to amend it.

2. By reaffirming the principle that there cannot be a democracy without popular participation, the Panamanian people expressed through their massive no vote that a true Constitution, the product of national consensus, truly democratic, respected and dear to all, can only result from the broad, public, and representational debate within the formal framework of a freely elected Constituent Assembly.

3. The Panamanian people, source and origin of every state branch, have the right to demand that their will to determine their own way of political organization, with total independence and freedom, be respected.

4. Both the Executive and Legislative Branches should recognize the fact that the people, that is, all citizens entitled to vote, have opposed the existing pro-military Constitution. The Executive and Legislative Branches should obey the people's will without delays or restrictions and call for a national constituent assembly, the maximum expression of national dialogue.

5. The Freno [National Front Against Constitutional Reforms] demands that the people's will be respected and calls on all political, civic, trade, professional, student,

business, peasant, workers', religious, and Indian organizations, as well as all the Panamanian people, begin a permanent campaign to force the government to call immediately for a constituent assembly, observing the mandate of a society that has expressed itself against an authoritarian system inherited after 21 years of dictatorship.

6. Beginning 15 November, the Freno will become the National Front for a Constituent Assembly [Frente Nacional por una Constituyente] and it invites all the people to join in to reach the conditions that guarantee respect for our citizens' rights to exercise the freedom to have a new Constitution with the participation of all citizens, not only the current legislators.

7. We believe the failure of all government political forces that supported the yes vote in the 15 November referendum ethically disqualifies them from continuing to govern, if they do not respect the mandate clearly expressed at the polls.

[Issued] Panama, 15 November 1992

[Signed] National Front for a Constituent Assembly (Freno)

Court Rules Certain MLAT Phrases Unconstitutional

PA1311174292 Panama City *EL PANAMA AMERICA* in Spanish 13 Nov 92 p 2a

[Report by Juan Pritsiolas]

[Text] The Supreme Court of Justice declared unconstitutional, certain phrases within Article 2 of Law 20 of 22 June 1991, in which the Legislative Assembly approved a Mutual Legal Assistance Treaty (MLAT) between Panama and the United States.

The court's decision was made following an unconstitutionality suit filed by lawyers Rolando and Rafael Murgas Torraza. Magistrate Aura Guerra de Villalaz prepared the opinion for this ruling.

The article in question established that after 60 days of the exchange of MLAT ratification instruments, the Executive Branch would present the Legislative Assembly a draft on the necessary measures to execute the treaty, which was approved during extraordinary sessions in 1991.

If the Executive Branch failed with this requirement, the legislative chamber was empowered to approve an MLAT enabling law.

According to the Supreme Court's plenum, the enabling legislation violates the Constitution's Article 143, but only in that it exceeds the time provided for the extraordinary sessions to approve or reject the MLAT.

The magistrates definitely consider unconstitutional, the phrases that establish the 60-day period for the Executive Branch to present an MLAT enabling draft law and allows the chamber to approve a similar instrument, if the Executive Branch does not comply with this requirement.

Costa Rica Rejects Bernal's Asylum Request

PA1311200092 Panama City *CRITICA LIBRE* in Spanish 13 Nov 92 p 96, 74

[Report by Jose Otero]

[Text] According to information disclosed on 12 November by Herbert Wolf Fournier, Costa Rican ambassador to Panama, the Costa Rican government has rejected an asylum request made by former Captain Jorge Eliecer Bernal and has issued a warrant for his arrest.

The Costa Rican diplomat stated that President Rafael Calderon Fournier himself approved a document denying the right to asylum to Bernal based on the "Bustamante Code." Bernal formally requested asylum two weeks ago.

On 5 November, the Panamanian foreign ministry sent a note to the Costa Rican government requesting the immediate extradition of former Capt. Bernal. Several days before, the former Panamanian military officer made serious charges against the government of President Guillermo Endara to a Panamanian radio station. In addition, Bernal described himself as a "political refugee."

On 10 November, the Costa Rican ambassador himself indicated that former Capt. Bernal was legally in Costa Rica, since he had arrived on a 90-day tourist visa. On 12 November, the Costa Rican government suddenly ordered his arrest.

Bernal is charged in Panama with participating in the 1986 murder of labor leader "Yito" Barrantes. During the General Manuel Antonio Noriega regime, Bernal was chief of the riot squads, better known as "Dobermans." Later he was linked to the 4 to 5 December 1990 coup.

According to Ambassador Fournier, the Costa Rican foreign minister will transfer the case to the courts and a judge will have to order Bernal's extradition to Panama. So far, Bernal has not been captured, but there is evidence that he is still in Costa Rica.

Argentina

Foreign Minister Meets Clinton Team Members

PY1611175392 Buenos Aires LA PRENSA in Spanish
14 Nov 92 p 6

[Text] After meeting with several political leaders and people close to U.S. President-elect Bill Clinton, Argentine Foreign Minister Guido Di Tella said yesterday he was optimistic about the future of relations between Latin America and the United States.

Di Tella's arrival in the United States practically coincided with the departure from Argentina of U.S. Joint Chiefs of Staff Chairman Colin Powell, who welcomed Argentina's possibly joining of NATO.

Di Tella said he exchanged views, and he emphasized that for Argentina and the rest of the region it is important that relations with the United States continue along the course marked by the Americas' Initiative, which was set in motion by outgoing President George Bush a little more than two years ago.

Di Tella's agenda included a meeting with Richard Feinberg, the president of Inter-American Dialogue—a hemispheric study group. Feinberg has been mentioned as a possible member of the Clinton administration.

He also met Brian Atwood, of the Democratic Party's foreign policy committee; influential Senator Bill Bradley; and Paula Stern, Clinton's senior adviser on foreign trade matters.

Says Relations May Improve

PY1711025392 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 2332 GMT 16 Nov 92

[Text] Buenos Aires, 16 Nov (NA)—Foreign Minister Guido di Tella said today that with the installation of the new government of Bill Clinton, relations between Argentina and the United States "will remain equal or better" than those maintained with George Bush, although he admitted this situation will "depend to a large extent on the position adopted by the Argentines."

The foreign minister said there is no date yet for a meeting between Presidents Menem and Clinton, and added that it probably will be held after 20 January, the date of Clinton's inauguration.

The foreign minister also confirmed the suspension of the visit Menem was scheduled to make on 21 November to Miami and Senegal.

In Miami, the president was supposed to receive an award from the Cuban-American Foundation headed by anti-Castrist Max Canosa, and his visit to Senegal was to participate in a new meeting of the Group of 15 which unites the relatively most developed countries of the Third World.

Di Tella made these remarks this afternoon during a news conference held at San Martin Palace to report on the recent trip he made to the PRC, Hong Kong, London, Germany, and Washington.

In Washington, the foreign minister last week met with a group of Democrats, among them Senator William Bradley, with whom he analyzed the future of relations between Argentina and the United States. He said that during the meeting his interlocutors told him that following Clinton's inauguration, relations between both countries will be equal to or better than those so far, and that they are confident that before 20 January (the inauguration date) an agreement will be reached on subsidies on agricultural products within the Uruguay Round of GATT.

The foreign minister said the issue of subsidies on grain imposed by the United States and the future of the "prime rate" [preceding two words in English] were two of the issues discussed with the Democratic leaders who, as he said, do not show a uniform position concerning the possible implementation of protectionist commercial policies.

The Argentine foreign minister was critical about the delegation of Justicialist Party politicians who went to Arkansas to negotiate a rapprochement between Menem and Clinton.

He said it was his understanding that this type of issue must be handled by the Foreign Ministry.

Di Tella was referring to the trip made to the state governed by Clinton by Osvaldo Mercuri, the president of the Buenos Aires Chamber of Deputies, Justicialist Party President Roberto Garcia, and Vice Interior Minister Isidoro Laso, with the purpose of scheduling a meeting between Menem and Clinton before 20 January.

Ironically, Di Tella said Mercuri's trip "has served to strengthen ties between Buenos Aires Province and the state of Arkansas, and I think this is very good."

When asked about the reasons for the suspension of the trip to Miami, the minister said it is partly because the different organizations that form the anti-Castrist Cubans were unable to reach an agreement on the make-up of a single delegation to meet with the Argentine president.

Di Tella has said that Menem intended to meet with all the anti-Castrist groups and not just participate in the ceremony to receive the award granted to him by Max Canosa's organization.

Regardless of the suspension of the trip to Miami, the foreign minister said "there is no doubt Argentina condemns Fidel Castro's regime because, according to him, communism never fails but the only thing it does is damage countries."

He said: "Cuba's problem is very worrisome because there are no signs of change, but rather a sort of obstinacy can be observed."

Menem Says He, Cavallo 'Indestructible Team'

*PY1611172592 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1010 GMT 14 Nov 92*

[Text] Buenos Aires, 14 Nov (NA)—President Carlos Menem has asserted that he and his economy minister, Domingo Cavallo, make up "an indestructible team." Menem accused the media, which reported alleged internal disagreements, of trying to "destabilize the government."

Menem told a group of businessmen "not to let themselves be influenced by the criminal attitudes of others." He added: "Some radio stations and television channels go against the opinion of the Argentine people." Menem asserted: "We should not let ourselves be influenced by rumors of internal disagreements (in the government)." He added: These are "clumsy hoaxes by some members of the media who seek to destabilize the government."

After delivering a short speech during the celebration of the "National Day of Commerce," which was organized by the Coordinating Agency for Commercial and Business Activities (CAME), the president made a lengthy impromptu speech.

CAME President Osvaldo Cornide asked that the government eliminate taxes such as the one on gross income. Cornide also commented on the high interest charged on credit card purchases and the current decrease in the volume of sales.

Menem answered: "No one can demand from us more than we did in three years, after having received a country in flames." He confirmed that the one peso-one dollar exchange rate will be maintained. He emphasized: "Do not give me this tale about the type of exchange rate, because we are not talking about a type of exchange rate. What we have in Argentina is the price of the peso versus the price of the dollar."

Cavallo on Mercosur, Coordination With Brazil

PY1311195592 Buenos Aires TELAM in Spanish 1441 GMT 13 Nov 92

[Excerpt] Economy Minister Domingo Cavallo said: "If we want to achieve effective integration (with Brazil), we need to have a high degree of macroeconomic coordination to enable us to have a stable relationship between our respective currencies." He said: "This will take time."

Cavallo added that, at this moment, "Argentina's and Brazil's macroeconomic policies could not be more different."

The economy minister spoke this morning at a seminar sponsored by the Mediterranean and Konrad Adenauer

Foundations on the reconciliation of the monetary and foreign-exchange policies within the Mercosur [Common Market of the South].

Economy Secretary [title as received] [Juan] Carlos Sanchez, FRG ambassador Herbert Limmer, and Aldo Arnaudo, an Institute of Economic Studies of Argentine and Latin American Reality [Instituto de Estudios Economicos Sobre la Realidad Argentina y Latinoamericana] (IEERAL) adviser to the Mediterranean Foundation, also participated in the seminar.

Cavallo was in a relaxed mood, and he spoke without referring to the current situation. He told about 40 people that "nowadays it might seem funny to talk about monetary reconciliation when it is obvious that Argentina's and Brazil's macroeconomic policies could not be more different."

Cavallo added: "Although we are engaged in the formation of a common market with a fixed deadline, according to the Asuncion Treaty, political circumstances have not permitted the macroeconomic policies to be similar and coordinated, which is clearly creating problems."

Cavallo noted: "Integration cannot be achieved by having the sounder, better managed economies approach those with more problems."

Cavallo concluded his viewpoint on this issue by saying: "If we must sacrifice something, it will not be the quality of the institutions we want to build, but the time we will take to build them." [passage omitted]

Potential Sale of 500 TAMSE Tanks to UAE Viewed

PY1311161292 Buenos Aires LA PRENSA in Spanish 12 Nov 92 p 5

[Text] National Deputy Augusto Spinoza (Radical Civic Union, UCR, Buenos Aires) has reported the possibility of leasing the plant used by the Medium Argentine Tank Factory, State Enterprise (TAMSE), for \$16,000 monthly.

Spinoza added: "People involved in arms deals want to buy the TAMSE stock of engines and turrets, which are estimated as being worth hundreds of millions of dollars, for just \$5 million."

Spinoza thus referred to the presumed national government "discouragement" over the sale of 500 Argentine tanks to the United Arab Emirates [UAE], on which Spinoza has submitted a request for information to the Chamber of Deputies.

"There is something fishy about all this. This would be the largest export of nontraditional goods in Argentine history. There is a formal order from the UAE Government for 500 tanks for \$500 million in cash. TAMSE has the stock, thus guaranteeing production for two years," Spinoza said.

He regretted that "the government refuses to go ahead, the San Isidro Company plant is paralyzed, and the workers are not receiving their salaries."

Asked why the operation with the UAE is not going ahead, the UCR deputy said: "There are rumors that the government wants to lease the plant for \$16,000, roughly the rent on Florida Street [in Buenos Aires]."

Spinoza then urged "an end to shady deals which harm the state," adding: "Other deals are done here, like buying obsolete planes from the United States, but when an industry can be strengthened to help other expenditures in defense and to reorganize the Army, all initiatives are killed off."

Brazil

Franco on Government Plans, Need for Fiscal Reform

PY1711002392 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 16 Nov 92

[Excerpts] Interim President Itamar Franco reconfirmed today in Juiz de Fora that the basis of his government will be negotiations with the national Congress. He stressed the importance of discussions with congressmen for the approval of the government fiscal adjustment project.

He made these remarks after a meeting this morning with Minas Gerais Governor Helio Garcia. The interim president denied the existence of political problems with the Minas Gerais governor. He said he took advantage of the meeting, which lasted almost an hour, to make a quick analysis of the national policy.

[Begin Franco recording] I stressed the importance of the government going to Congress to listen to what the congressmen have to say, and to explain to them the importance the government places on the approval of the fiscal adjustment project. [end recording] [passage omitted]

President Franco also confirmed the postponement of the speech he was to make to the nation on Wednesday, 18 November. Concerning his trip to Senegal on Thursday, 19 November, he said it will depend on his mother's health.

Itamar Franco today phoned Congress President Mauro Benevides, canceling the visit scheduled for Wednesday due to the bad health of his mother, Italia Franco, who was hospitalized last Sunday morning in Juiz de Fora with serious lung problems.

Senator Mauro Benevides said he understands the situation of the interim president, and that a new date will be set for his visit to the national congress.

Moreover, Senator Benevides said he is calling all senators for the vote on President Collor's impeachment

scheduled for 22 December. Benevides wants the presence of all 81 senators at the plenary session on 22 December. To achieve this, he is sending telegrams to all of them not to make other commitments on that date.

Franco's Economic Plan Seeks Poverty Eradication

PY1711013392 Rio de Janeiro O GLOBO in Portuguese 16 Nov 92 p 15

[Article by Leise Taveira]

[Text] Brasilia—The main challenge of the long- and medium- term economic plan being prepared by the Planning Ministry and which will be announced by President Itamar Franco on Wednesday is the eradication of poverty within the next 15 years, with investments of \$15 billion yearly (approximately 4 percent of the gross domestic product) in the social area.

Moreover, the government plans to invest \$121.58 billion by the year 2005, with significant participation of the private sector in medium- and long-term policies in the energy, transport, telecommunications, informatics, and agricultural industries.

According to Planning Minister Paulo Haddad, in its short two-year period, Itamar Franco's government intends to set the basis for that strategy. "The Franco government will lay the cornerstone of that long-term policy," Minister Haddad said.

According to the project, obtained exclusively by O GLOBO, the highway system and energy sector are the master lines of the policies to be implemented. The idea of the project is to reorganize the country's economic activity, creating nine strategic macro-regions, with the reconstruction and establishment of railways, highways, and waterways for the transport of production.

Due to the shortage of government resources, the idea is to attract money from national and foreign private initiative and multilateral institutions such as the World Bank (Bird) and the Inter-American Development Bank (IDB). In exchange, the government, the states, and the municipalities will offer infrastructure.

The SAE [Strategic Affairs Secretariat] Plan, prepared by the Planning Secretariat, the Strategic Affairs Secretariat (SAE) of the presidency, and by the ministries, also provides for investments in the area of science and technology, which would be transferred to the universities with the capacity to promote research, especially in the informatics area.

According to the plan prepared by the government, the reorganization of the highway system will demand an investment of \$15 billion until 1997, and will propitiate, until the year 2005, an increase of \$6 billion in revenues from exports of agroindustrial products. Mining and tourism will also benefit from this plan, said plan coordinator Renato Pavan.

The strategy to be implemented is to reduce government spending to the minimum, transferring to private initiative the implementation of projects. Decentralization is also essential because the states and municipalities, the most interested in development, will be responsible for the development of the projects.

For that, the federal government will have to invest \$1 billion a year. Private initiative and the states will each invest more than \$1 billion a year. In addition to the increase in export revenues, the agroindustrial area will save \$1 billion a year, which today is wasted because of the lack of storage and transport conditions for the products.

Pavan added that several investors already are interested in the agroindustrial area. According to him, the IDB offered \$450 million to finance, over the long term, the construction of storage facilities, which will propitiate an economy of \$5 billion by 1997.

The development project is ambitious for the north-eastern region. The objective is to achieve a profit of \$4 billion per year, starting from the construction of seven irrigation poles, with technology of countries developed in this area. Spain, Israel, and Chile, countries that lack land and water, have already demonstrated interest in transferring technology in exchange for land. Those interested would have the right to use the land with the condition of transferring technology to the country while local farmers would preserve 30 percent of the planted areas.

The construction of airports for the transfer of products (flowers and fruits, basically) is also part of the project. With that, according to Pavan, the entire production process, from the plantation to the transport of goods, would be guaranteed.

Government Willing To Negotiate on Fiscal Reform

PY1411015592 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 13 Nov 92

[Text] The government already has admitted that the tax on company assets can be eliminated from the fiscal adjustment proposal. This position was announced today by Deputy Benito Gama, the coordinator of the committee debating the bill, and by Deputy Roberto Freire, the government leader in the Chamber of Deputies, after meeting with interim President Itamar Franco.

After the economic team explained the fiscal adjustment to entrepreneurs and workers, and after listening to the two groups' complaints, Franco decided to talk with Gama, who was summoned to Planalto Palace for a meeting with the president and Freire.

According to Deputy Roberto Freire, the president called Gama to tell him that approval by Congress of the

fiscal adjustment proposal is very important for the country's governability, and that the proposal may be negotiated.

[Begin Freire recording] Congress will define the proposal's limits and contents. Through its leaders in Congress, the government will back its proposal, but it always will be open to whatever can be improved or changed. We must realize (parts of the proposal can be rejected, right?) [end recording]

According to Freire, some points of the proposal—such as the tax on company assets—have been difficult to negotiate. He said he knows the proposal will not be approved in its entirety.

Gama said his report will join all the proposals being studied in Congress, so at least part of the fiscal adjustment may be approved this year, delaying decisions on the most controversial topics.

Government Adopts Measures To Stop Flow of Dollars

PY1611220392 Rio de Janeiro O GLOBO in Portuguese 15 Nov 92 p 2

[Text] The Central Bank has decided to restrict the flow of dollars in the country, where foreign exchange reserves currently total \$23 billion. The flow of dollars is restraining control of the monetary policy and consequently the fight against inflation. The measures will reduce the need to issue cruzeiros to purchase dollars. The rise of the dollar last week caused concern among government experts and prompted the changes.

Collor's Industrial Patent Bill Remains Pending

PY1611215292 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Nov 92 Economic Section p 5

[Article by Teresa Cardoso]

[Text] Brasilia—Congressmen concerned with the need to promulgate a new law on industrial patents currently hold two beliefs. This is an urgent matter for Brazil, but the Legislative Branch will not quickly pass a bill to regulate it. Deputy Sandra Starling (PT-MG) [Workers' Party-Minas Gerais] presides over the special commission charged with the matter. For a month she has been trying to meet with President Itamar Franco to ask him to replace the bill sent by Fernando Collor to Congress.

Worried about the governmental delay to regulate the matter, Deputy Roberto Campos (PDS-RJ) [Social Democratic Party-Rio de Janeiro] warned: "This is similar to the reservations regarding informatics." Franco's silence on the issue is the main proof that the bill will not be voted on anytime soon. Starling believes Franco will easily accept her proposal to send another bill to Congress.

The forum of the Science and Technology Secretaries of the States also advocates this proposal. It strongly

opposed Collor's bill and two additional bills proposed by Deputy Ney Lopes (PFL-RN) [Liberal Front Party-Rio Grande do Norte]. The scientific community proved that the three projects seek to protect foreign capital to the detriment of local industrial development.

Campos said: "These people are playing with fire just to protect a small number of craftsmanship industries." He warned that "if Franco replaces the bill, he will underestimate the international community in keeping Brazil separate."

Campos referred to the fact that the U.S. Government suspended retaliation against Brazil because Collor promised to send to Congress the bill regulating industrial patents, which has awaited a congressional vote for one year now. Campos said: "If we continue not to take action to approve this bill, Bill Clinton will have no other alternative."

But this is not the Brazilian Government's opinion, according to the reaction of Deputy Roberto Freire (PPS-PE) [People's Socialist Party-Pernambuco]. He thinks that if Clinton takes retaliatory measures, this will just be the result of the Democratic Party's protectionist tradition. Disregarding the risk of retaliation, Starling said she had confidence in U.S. Vice President-elect Al Gore, a well-known environmentalist. She thinks that after the Rio-92 Conference, biodiversity became more important than the industrial patents.

More than 500 amendments have already been submitted for the bill that should be approved before the end of the year. Nationalists believe the current law is a violation because it allows for procedures and products of the food, chemical, pharmaceutical, and biotechnological industries patented abroad to be accepted in Brazil. PFL supporters already have warned that without recognizing or paying for the patent rights, Brazil will have no chance at all of attracting international investors.

Collor Said To Give Up Hope of Returning to Office

PY1711015592 Rio de Janeiro O GLOBO in Portuguese 16 Nov 92 p 3

[Text] Brasilia—Suspended President Fernando Collor has been demonstrating a certain annoyance over the routine he has maintained by being confined to Casa da Dinda [presidential residence] and the library. The friends who alternate visits to Casa da Dinda have revealed that Collor has become coolheaded, reserved, and annoyed. He is also showing that he is giving up hope and admitting his failure to return to the government with an acquittal by the Federal Senate. A shock troop member who visits the Casa da Dinda has stated: We expected the trial to take place late in March 1993. At that time the economy would have been so devastated that Itamar Franco's administration would have severely deteriorated. The choices to succeed in the Senate were

greater with this situation, but hopes declined with the decision to expect the trial in December.

The acknowledgement of defeat has already led Collor to even admit the possibility of giving up his closest aides and friends. But this hypothesis will be more carefully analyzed as the date of trial approaches. Meanwhile, he continues to put all his cards in defense lawyers Evaristo de Moraes Filho and Jose Guilherme Vilela, who are preparing to appear before the Federal Senate and the regular court.

Elections Held Normally; No Incidents Reported

PY1611130192 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 16 Nov 92

[Excerpts] The runoff elections for mayor were held calmly and without any abnormal situations in 26 Brazilian cities. The Superior Electoral Court [TSE] did not receive any report of irregularities.

Acting TSE President Sepulveda Pertence said the municipal elections were held calmly all over the country:

[Begin recording] Here at the TSE, we do not have a firsthand picture of the situation. Our best indication is that no incidents or serious situations have been reported to the TSE. It appears the elections were absolutely normal. [end recording] [passage omitted]

PDS [Democratic Social Party] leader Paulo Maluf was elected Sao Paulo mayor with 52.2 percent of the votes, while PT [Workers Party] leader Eduardo Suplicy got 37.7 percent. Even before being installed, Maluf said he will run for president in 1998. He said he will be a good mayor during his four-year term, and that thereafter he will be ready to run in the 1998 presidential elections. [passage omitted]

National Company To Export AMX Airplane Parts

PY1511224892 Rio de Janeiro O GLOBO in Portuguese 14 Nov 92 p 31

[Text] The Celma Electromechanics Company, which was privatized a year ago, will begin exporting AMX airplane motor parts in December. The parts are manufactured jointly with the Italian Air Force. The Rolls Royce Spey MK-807 motor will have 22 percent of its parts manufactured in Brazil and 48 percent in Italy. The remaining 30 percent correspond to parts whose manufacture has not been licensed by the Rolls Royce Company.

Air Force Minister Lelio Viana Lobo, who visited the plant in Petropolis [Rio de Janeiro State] on 13 November, reaffirmed the importance of the long-term planning of projects that seek to ensure the progress of the national industry's technology. According to the minister, governmental participation in the Celma administrative council—which has been ensured by the

golden share [preceding two words in English]—helps prevent deviations in the production of material which is deemed strategic.

He said: The government must make sure that commitments made at the time of the company's privatization are complied with. The result of this control is clear: After 11 years of work, the Celma Electromechanics Company has allowed Brazil to join the exclusive club of countries which manufacture motors.

According to Celma President Alexandre Silva, the company will enjoy an estimated \$54 million in profits this year.

Chile

PDC Senator Frei Registers as Presidential Hopeful

PY1311194292 Santiago Radio Chilena Network in Spanish 1600 GMT 13 Nov 92

[Excerpts] After registering as a presidential hopeful, Senator Eduardo Frei called on all party members to work together to fulfill the historic challenge the Christian Democratic Party [PDC] is facing, that is, to project the Coalition of Parties for Democracy [CPPD] into the future. [passage omitted]

Frei said he is registering as a presidential hopeful before the CPPD and the country with lofty goals and aspiring to a consensus. He also noted that for the first time in 50 years the PDC has the chance of giving continuity to a government headed by a PDC activist.

Frei said he made the decision to run for the presidency with humbleness, that he thought it over carefully, but that the values and consequences are what really matter.

Frei asserted he will continue striving for a stable and sustained growth to fight poverty.

With these words Frei registered as a presidential hopeful in a ceremony at PDC headquarters attended by many activists who support him. [passage omitted]

Poll Shows PDC Frei Favorite Candidate

PY1611191592 Santiago Radio Chilena Network in Spanish 1600 GMT 16 Nov 92

[Excerpt] If the presidential elections were to be held on 22 November, Eduardo Frei would receive 38.4 percent of the votes, Ricardo Lagos would receive 21 percent, and a right-wing candidate would receive 19 percent. It has also been reported that 41.8 percent of the people believe the president of the Christian Democratic Party will be the next Chilean president while only 24.9 percent of the people believe Lagos will be the next Chilean president. These figures were the result of a political poll conducted by the Center for Contemporary Reality Studies, CERC, in 29 Chilean cities from 23

October to 7 November. During the poll, 1,240 people were interviewed. [passage omitted]

Former Dina Agent Extradited From Brazil, Detained

PY1711011492 Santiago Radio Cooperativa Network in Spanish 2200 GMT 16 Nov 92

[Report by Mario Contreras]

[Text] A solitary cell, with reinforced guard, hosted Osvaldo Romo Mena here at the Investigative Police headquarters. The former Dina [National Intelligence Directorate] agent stepped onto national territory today at 1413 after the door was opened on a Varig airplane that carried him from Brazil.

Romo Mena was transported to the Investigative Police headquarters amid strong security measures. Here he underwent the appropriate medical checkups.

An official Investigative Police communique reported that, pursuant to the appropriate arrest warrants issued by the appropriate courts, today, shortly after 1400, Chilean citizen Osvaldo Enrique Romo Mena was detained upon his arrival in our country from Brazil. Detainee Romo Mena was taken to Investigative Police quarters where he is being held in keeping with the current legal provisions.

This was the text of the Investigative Police communique.

Santiago's Third Criminal Court Judge Dora Lucic began to interrogate Romo Mena at about 1500. The judge is hearing several cases on missing detainees, allegedly involving the former Dina agent.

Dora Lucic is now interrogating the former Dina agent on the fifth floor of the Investigative Police headquarters. As soon as this interrogation concludes, Osvaldo Enrique Romo Mena will be taken to the basement where a solitary and strongly guarded cell will be where he spends his first night in Chile after living for many years in Brazil.

Colombia

Gaviria Accuses Guerillas of Drug Trafficking

PA1611230492 Santa Fe de Bogota Inravisión Television Cadena 1 in Spanish 2300 GMT 13 Nov 92

[Text] On 13 November President Cesar Gaviria visited Cauca Department—one of the Simon Bolivar Guerrilla Coordinating Board [CGSB] centers of operations—and called the FARC [Revolutionary Armed Forces of Colombia] and the ELN [National Liberation Army] drug traffickers and terrorists.

Gaviria has continued to aim his verbal artillery at guerrillas, leaving them politically defenseless and putting them on the same level as common criminals. His

remarks were fired in the presence of former Quintin Lame guerrillas, who established peace with the government two years ago, and during a ceremony marking an agreement to substitute growing fruit trees for poppy and to set a pulping machine into operation.

[Begin Gaviria recording] We are going to take severe measures to halt the diversion of money to guerrillas so that all the people of Colombia can say no to the guerrillas, the violent ones, the drug traffickers, and everyone else who believes they can stop the advancement of this society. [end recording]

Gaviria, dressed in fatigues, did not use the carrot-and-stick technique. After stressing the advantages of negotiation, he highlighted the \$277 million allocated to an emergency program for Titiqui, Balboa, and Argelia, and the transfer of ownership titles for 3,000 hectares and 530 homes in Popayan. He reminded the CGSB that they are not fighting for the people's well-being but for their dirty businesses.

[Begin Gaviria recording] Only the most unworthy of paths are before them—that of stealing, kidnapping, murdering, and poppy and cocaine trafficking, allegedly to defend the people's cause. [end recording]

In the so-called general war on subversion, these are not President Gaviria's last shots. Decrees to strike at the heart of the CGSB's finances and others that deal with the new military leadership, in which it is said there are some very tough officers, are yet to be issued.

Security Council Scheduled for 17 Nov

PA1611181592 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 1700 GMT 16 Nov 92

[Report by Lida Maria Vanegas]

[Text] There is a critical public order situation in Medellin. A total of 13 persons were murdered on the night of 15 November, including seven minors and one policeman.

President Cesar Gaviria is expected to hold a Security Council meeting on 17 November to review the security crisis in the Antioquia Department capital.

After a relatively calm week in Medellin, violence returned on 15 November. A massacre in Villa Tina neighborhood resulted in nine persons dead, primarily young people between the ages of 14 and 27 years of age. One nine-year old was also killed. According to local residents, at 2100 three vehicles—one gray, one red, and one black—with 15 heavily armed passengers arrived at this corner. Most of the individuals were carrying Galil rifles. They forced the youths to throw themselves on the ground and then immediately began firing.

The youths, good neighborhood kids, as their relatives and neighbors describe them, belonged to youth groups and were celebrating their only soccer victory this season on the night of 15 November. Another boy was drinking

a soda but was unable to finish it. The nine-year old girl had a cast on one of her legs, and she died without understanding what was going on. The wake for the nine children will be held today at the neighborhood Red Cross building.

In addition, a triple murder took place at the Aranjuez neighborhood, and a policeman was murdered in another part of the city.

In view of this wave of violence in Medellin, the city mayor and the Antioquia governor will travel to Santa Fe de Bogota for a Security Council meeting on 17 November.

Police Claim Medellin Cartel Attacked Officers

PA1711004492 Santa Fe de Bogota Emisoras Caracol
Network in Spanish 1200 GMT 14 Nov 92

[Text] General Otavio Vargas Silva, deputy police director, has reported that the police director general has presented the prosecutor general with evidence against several persons detained in Medellin under charges of participating in the assassination of several policemen. Vargas Silva said the attacks on recently graduated policemen in Medellin have been perpetrated by the Medellin Cartel.

Ambassador to Dominican Republic on Embassy Occupation

PA1511192392 Santa Fe de Bogota Emisoras Caracol
Network in Spanish 2209 GMT 14 Nov 92

[Telephone interview with Colombian Ambassador to the Dominican Republic Jose Pardo Llano by Manuel Salazar—live]

[Text] [Salazar] Ten Dominican citizens occupied the Colombian Embassy in Dominican Republic demanding the release of four Dominicans arrested in Colombia accused of having links with the guerrillas. Ambassador Pardo, how did the occupation end?

[Pardo] Early on 14 November, 24 hours after the occupation began, I received a call from the mayor of Santo Domingo, a personal friend of mine, who told me he was willing to mediate. I agreed and took him to the embassy very early. He met with the group that was occupying the embassy; they were relatives of the prisoners in Santa Fe de Bogota. They agreed to leave the embassy. The mayor promised to present them to President Joaquin Ballaguer and assured them I would continue efforts to keep them informed about the proceedings against the prisoners and the possibilities of their release. Fortunately, the occupation, and thus the incident, ended at noon.

I must say that the group—although their visit was not expected or pleasant—behaved correctly in the sense that there was no violence. They did not carry weapons, and there were more women than men. We tried to avoid

any problem with the police, who initially did not permit the delivery of food and the usual problems in situations of this nature.

We hope to have information by 16 November. I already contacted Foreign Minister Nohemi Sanin twice and hope to have information on the status of the legal process against the Dominican citizens in order not to have to travel to Colombia to obtain the information from the commission that has been created.

Everything is calm, and our relations with the Dominican Republic and its people are cordial as always.

[Salazar] Has our government made any promise to release the four Dominicans, or will this depend on their legal situation in Colombia?

[Pardo] I have said this many times. The government cannot do that, due to the separation of powers between the Executive and Judicial Branches. The government of President Gaviria is concerned about the problem. On the other hand, there is no serious evidence against them, no weapons were confiscated. I personally feel that the charges against them are not that serious, and therefore there is no need for a long and complex process. However, that does not depend on the ambassador, the embassy, the Foreign Ministry, or the Executive Branch, but on the judge in charge of the process and the investigation. We hope there will soon be a trial, so the problem can be resolved and those who are concerned here can feel more confident.

I must mention the fact that many responsible and decent people here have expressed support for the Dominicans arrested in Colombia. Although it is possible they are leftist political activists, they are not seen as disturbing or aggressive individuals.

[Salazar] Will a Dominican government commission travel to Colombia to handle the problem directly?

[Pardo] The mayor of Santo Domingo wants to be in that commission and wants me to accompany him. Naturally, that will depend on the Foreign Ministry, and basically on the legal process. If the process can be legally and judicially discussed in the next few hours, maybe next week there will be no need to create that commission of travel to Colombia.

Ecuador

Energy Minister Confirms Withdrawal From OPEC

PA1611201692 Quito Voz de los Andes in Spanish 1200 GMT 16 Nov 92

[Text] Ecuador's withdrawal from OPEC is a fact. Energy and Mines Minister Andres Barreiro announced that our country will withdraw from OPEC despite domestic and foreign insistence to the contrary. He noted that our country pays very high membership fees

in this organization and reaffirmed that OPEC hinders positive development in the oil sector. Barreiro confirmed our withdrawal to his Venezuelan counterpart who, in the past few hours, has tried to convince Ecuador to remain in OPEC. The Ecuadoran minister reported that the Ecuadoran Government has a greater interest in strengthening the Latin American Energy Organization.

Strict Surveillance Imposed on Colombian Border

PA1611192792 Quito Voz de los Andes in Spanish 1200 GMT 16 Nov 92

[Text] The Ecuadoran and Colombian Armies are imposing strict controls in the border areas to keep guerrillas out of Ecuadoran territory. Spokesmen from both armies have asserted that air, land, and sea control is being implemented, and soldiers have been posted at the border area. The Ecuadoran Army commander clarified there is no evidence that Colombian guerrillas are in our country. The soldiers stationed on the border area, especially near the San Miguel river, have reported that the civilian population is fully cooperating with the surveillance operation.

Congress Elects New Government Officials

PA1311173692 Quito Voz de los Andes in Spanish 1200 GMT 13 Nov 92

[Text] The Congress concluded a special session with the designation of new authorities for institutions attached to the government. After a peaceful session, the Congress appointed the following officials from the three-name lists submitted by the Executive Branch and the Supreme Court of Justice: Juan Carlos Faiduti, comptroller general; Ricardo Munoz, banks superintendent; Gustavo Ortega Trujillo, corporations superintendent; and Adolfo Losa, communications superintendent.

Of the three nonvoting members proposed for the Supreme Electoral Tribunal the only one elected was Medardo Olea, who headed one of the lists of the Supreme Court of Justice. Alberto Gruay, who headed the other three-name list, failed to receive a sufficient number of votes.

Peru

Shining Path Calls For 'Armed Strike' in Lima

PA1611161392 Paris AFP in Spanish 1542 GMT 16 Nov 92

[Text] Lima, 16 Nov (AFP)—Shining Path distributed leaflets throughout heavily populated areas in Lima on 16 November calling for "an armed strike" on 18, 19, and 20 November against the elections for the Democratic Constituent Congress, which will be held in Lima on 22 November, police authorities have reported.

The boycott threats were issued after the terrorist organization exploded between 30 to 40 kgs of dynamite at

the San Juan de Miraflores Municipal Council early in the morning on 16 November.

The attack caused extensive property damage, but there were no casualties to report, police authorities informed.

Meanwhile, in the Lima district of San Martin de Porres, a bank was destroyed by dynamite, but there was no major damage, another police report added.

Retired General on Role in Failed Coup Attempt

PA1611205992 Hamburg DPA in Spanish 1802 GMT
16 Nov 92

[Text] Lima, 16 Nov (DPA)—Retired Army General Jaime Salinas has admitted to leading the failed coup attempt of 13 November but denied several aspects of the official version, according to a report published on 16 November by opposition weekly OIGA.

I wanted to return democratic normalcy to my fatherland, Salinas reportedly told OIGA in his cell in the Army's Special Forces Division, during an interview granted through a chain of hookups with officer friends.

In the report, the general stated that the intention was to seize power and symbolically hand it over to constitutional president Maximo San Roman. He denied planning to kill head of state Alberto Fujimori.

On the contrary, Salinas told OIGA, the rebellion that should have taken place in the early hours of 13 November was postponed because the president's life could not be guaranteed.

The official, who was asked to retire late last year when he was number one in line to take over as head of the Army, reportedly said that he headed the coup attempt because the government was preparing an electoral fraud and because of the low wages paid to the military.

I am entitled to rebel, Salinas stated in the weekly, noting that the current Constitution states that Peruvians can rebel when the Constitution is violated, something that happened on 4 April with Fujimori's self-inflicted coup.

According to Salinas, the basic sketch of the plan indicated that there would be no bloodshed—Fujimori would only be arrested—and no attacks on military garrisons. It was to be a swift, daring, and unexpected operation, with the support of persons infiltrated into the Government Palace.

This point coincided with Fujimori's version that Major Hugo Ormeno, deputy chief of military security at the Government Palace, was involved in the coup attempt, although the president asserted the officer was tasked with killing him.

Salinas also referred to the coup perpetrators' lack of backing from the troops. He explained they expected the action would have a ripple effect on the military garrisons, but this was foiled because, he said, we are certain someone betrayed us.

The officer stated the strategists met in the early morning hours of 13 November to carry out the coup, but since they were not totally sure the president's life would be guaranteed, they definitely decided to call off the operation.

Commenting on the possible kidnapping of Gen. Nicolas de Bari Hermoza Rios, Army chief and commander of the Armed Forces Joint Command, which according to Fujimori was one of the basic parts of the plan, Salinas indicated it had been ruled out because of the security measures around the general.

Salinas stated that after calling off the coup attempt, he left for his house (he was in a factory) but was attacked by soldiers, who shot to kill me and wounded my driver (whom the two sides agree was the only one injured in the events).

The retired officer, however, said he managed to get to the Army's general garrison to try to surrender voluntarily, refuting Fujimori's statement that Salinas was arrested with compromising documents. Salinas, who left the Army two years before his time, stated in the weekly's report that nobody moved an inch, no vehicle left, and not a single shot was fired on our side.

He added: We were asked to stage the coup by a large number of Army officers, who were concerned over the proven electoral fraud, outraged by Hermoza's subservience, and desperate over their pressing economic situation.

Salinas, who returned from Washington early this month, accepted full responsibility for the incidents and denied the involvement of retired generals Luis Palomino and Jose Pastor, mentioned as the other leaders of the coup.

Pastor and Palomino have pleaded their innocence. The two were arrested on 13 November, one at home and the other in his car, since they never hid, something that is inexplicable, according to the press, of men involved in a plan of this magnitude.

While doubts regarding Fujimori's version of events are growing in different sectors, OIGA's report would explain that a plan to rebel existed and was headed by Salinas.

The general, now under arrest, was reportedly involved in a confusing episode back in 1991, in which he allegedly tried to prevent then President-elect Fujimori from taking office. That is where his background of being allegedly hostile comes from.

Afterward, Fujimori sent Salinas as military attache to the Washington Embassy in a move obviously aimed at getting him out of the way. This benefited Hermoza. Shortly afterward, he was asked to retire, together with Pastor and Palomino, the two being former chiefs of Alan Garcia's military team.

Army Commanders Visit Fujimori, Express Support*PA1611193892 Lima Radio Programas del Peru Network in Spanish 1800 GMT 16 Nov 92***[Report by Maritza Lopez]**

[Text] The high-ranking commanders of the Army, including 40 generals led by General Nicolas de Bari Hermoza, head of the joint command, and Defense Minister General Victor Malca Villanueva, arrived at the Government Palace to express their support for President Alberto Fujimori as supreme chief of the Armed Forces.

They were received by the president who immediately invited them to watch the traditional changing of the guard from the Hussars of Junin Escort Regiment. The 40 generals, commanders and members of the staff and executive bodies, remained in the Government Palace for approximately 20 minutes. The presence of the commanders from the five military regions in the Government Palace comes 72 hours after the unsuccessful coup d'etat against President Fujimori.

Hermoza Issues Statement*PA1611192292 Lima Radio Programas del Peru Network in Spanish 1800 GMT 16 Nov 92*

[Text] General Nicolas de Bari Hermoza, head of the Armed Forces Joint Command, has stated that the joint command rejects any attempt to obstruct the Democratic Constituent Congress [CCD] elections. It also expressed its total support for President Alberto Fujimori.

[Begin de Bari Hermoza recording, in progress] reaffirms its commitment to support with loyalty and solidarity the actions of its commander general. The decline of morality means the decline of society because it destroys its foundations by ignoring ethics. It is the duty of thoughtful and honest men to stop the crumbling of the basic pillars in an orderly society. We express our steadfast desire to support the president of the Republic's task of consolidating a new democratic order and we reject any attempt to interrupt this decision which will be implemented on 22 November with the CCD. [end recording]

Political Leaders Express Doubts on Coup Attempt*PA1511184792 Lima Global de Television Network in Spanish 0100 GMT 15 Nov 92*

[Text] Politicians and candidates to the Democratic Constituent Congress such as Enrique Bernales of the Solidarity and Democracy Movement; Antero Flores Araoz of the Popular Christian Party; Virgilio Lefaggi, and Alfonso Benavides Correa of the Democratic Coordination commented on the coup attempt:

[Begin recording] [Flores] Just as the 5 April coup was condemned, we must condemn any attempt to frustrate the elections that supposedly will take place on 22 November, as this is the way to return to a representative democracy. Any attempt to frustrate the people's desire to return to democratic institutionalism is questionable. Citizens should remain alert to prevent President Fujimori from taking advantage of this military problem—which seems to be small, as there is not much information available—to seek support and transfer that support to his list of godsons, in other words, the Change 90 and New Majority candidates.

[Bernales] I can only comment on a communique that said there was a coup attempt. In order to be sure this is true, we must have evidence and more convincing proof. Personally, I doubt that three officers, who retired with honors, could assume the command of troops and be able to take over the Armed Forces General Command and the Government Palace simultaneously. Frankly, that seems strange and sounds like a fable.

[Lefaggi] I have three comments: First, we must condemn any attempt to boycott the return to the state of law. Second, what happened or what we have been told happened shows the fragility of unconstitutional regimes that are incapable of channeling tension within society through nonviolent methods. Third, this confirms the urgent responsibility that Peruvians have of participating responsibly in the 22 November elections to seek legal channels to resolve problems such as the economic crisis, unemployment, and the violence that still prevails.

[Benavides] This is crazy. There are historical precedents of similar bloody plots promoted in the past. I have been a teacher of critical Peruvian history and gave courses at the military school many years ago. The first such plot was carried out by Diego de Almagro's son and the famous Cape Knights against Francisco Pizarro, when 1,500 men stormed the palace and killed Pizarro. In this case, there is nothing like that. The only absurd situation here is that apparently a military plot was discovered to assassinate the president of the Republic, who escaped from the palace and went to the Armed Forces General Command to hide. [end recording]

Fujimori Interviewed on Coup Attempt, Other Issues*PA1511233892 Lima Frecuencia 2 Satellite Television in Spanish 1400 GMT 15 Nov 92*

[Interview with President Alberto Fujimori by Lucho Iberico in the Lima television studios for the "Counterpoint" program—live]

[Text] [Iberico] Engineer Fujimori, welcome to the Counterpoint program.

[Fujimori] Good morning.

[Iberico] Welcome to the station.

[Fujimori] I feel like I am campaigning, because I am visiting every single television channel. This is precisely to clear things up. I would normally not do it, but I think it is necessary at this time.

[Iberico] A short time ago here in the studio, we had representatives of the political groups that are getting ready to participate in the Democratic Constituent Congress [CCD] elections. Unfortunately, we did not have Change 90 leader Jaime Yoshiyama and he has not been present in the political debate. Why is this, Mr. President?

[Fujimori] For two reasons. First, I have recommended that he visit the forgotten towns of Peru, like the poor villages, and he is doing it as we have always done. It is important for him to learn about the country's reality in depth, not just participate in dialogues and rhetoric.

[Iberico, interrupting] A dialogue is a means of conveying ideas.

[Fujimori] Please allow me to finish.

[Iberico] Sure.

[Fujimori] And secondly, because the working style of this group, Change 90, will be totally different in Congress, if they obtain a majority. This style will not be one of speeches and words blown away by the wind, but of permanent work. We are talking about serious work to draw the country out of its crisis, this underdevelopment. We cannot continue to work at the pace of the previous congress. Fellow countrymen, ask yourselves: How was the country moralized? Was something done to reform the Judicial Branch? What peace strategy was implemented? There are many other questions. It is necessary to change styles once and for all. Politicians and nonpoliticians must begin to work with a different style.

[Iberico] Politicians here have questioned the fact that the president of the Republic is campaigning to favor his candidate. You just came back from Casagrande, in the north, and people are interpreting your visit this way.

[Fujimori] As a side comment, no American Popular Revolutionary Alliance [APRA] leader could have been received in such a tremendous manner as we were. We were in the north, the heart of APRA, in Casagrande, in (Viru), and a few weeks ago, at the Federico Villarreal University. We are not campaigning, we are conducting working visits with important inaugurations. How can I stop carrying out my work, such as the (Chaimochic) project or Peruvian university reforms? I believe these are important programs that naturally cannot be left by the wayside.

[Iberico] Mr. President, after this brief introduction, let us go to the topic that has been a cause of concern for the population this weekend, especially on 13 November. Tell us about the unsuccessful coup attempt. When did it begin? The public wants details. Politicians who were

present here also demanded more details as to what happened in the morning of 13 November.

[Fujimori] There is nothing more to add, and besides, the public is not demanding more details. That is not true. That is a figure of speech on your part. I believe I have given sufficient details in the latest programs as well as in my message, but I am going to give you a summary. On 6 November, a group of generals met with several retired and active officers, headed by Division General Jaime Salinas, retired. I have already given you the list of names of all these generals. A meeting was also held on 11 November, which was attended by Gen. Pastor Vives. He did, in fact, participate in the meeting. He arrived at the second meeting at 2130. He was present in the first meeting as well. A third meeting was held on the evening of 12 November. It took place at 1900 when all the details of the coup attempt were given.

I am surprised to hear that political parties were involved. We could start by clearing up this topic.

[Iberico] On 15 November, EL EXPRESO published a front-page headline saying: Political group involved in coup attempt. You talked about a black hand, a black hand that has cast a huge shadow of doubt. Now that we are only a few days away from the CCD elections, could you tell us what political groups are these? Which politicians are involved in this?

[Fujimori] Actually, I cannot say at this point which black hand was behind this coup attempt. Undoubtedly, an entire well-founded project must be behind an attempt to assassinate the president of the Republic.

We cannot...[pauses] I cannot specify, I do not have know which group it could have been. However, in previous coups there have always been political interests behind these attempts.

[Iberico] What could you tell us about the officer who had the mission of killing you? What is the situation of Major Ormeno at this time?

[Fujimori] Well, he had[pauses] I mean, he had orders to carry out this attack, without turning back, as he himself said, and for that...[pauses] we have already explained clearly. [sentence as heard] Now that the information has been given to the public, absolutely no one questions that it was feasible for a handful of men to murder the president of the Republic. It is as if someone who is second in command here at Channel 2 were to enter at night to carry out an attack. It is perfectly possible. Naturally, behind all this there is a large scheme or a large group, that could have been formed.

[Iberico] Was officer Ormeno a man you trusted; was he someone that was appointed or requested by the government palace?

[Fujimori] No, he was not appointed by the government palace. He was second in command at the Military Police garrison.

[Iberico] On the other hand...[pauses] To continue with the doubts that exist and the headlines in some newspapers that emphasize what you have been saying, one headline says: Television magnate, a key figure in the coup. Evidently, this refers to Engineer Vera Gutierrez. What could you tell us about this worrisome fact that retired Gen. Salinas Sedo used Vera Gutierrez' armored vehicle?

[Fujimori] I am not making any deductions whatsoever. I am only stating the facts. Investigations were conducted to determine the ownership of the armored vehicle used by Gen. Salinas Sedo to escape, and it turned out that it belongs to Mr. Vera Gutierrez.

Another fact that is interesting—but I repeat, I am not making any deductions yet—is that the property on Lachira Avenue in Zurco District is also owned by Mr. Vera Gutierrez.

[Iberico] We imagine that very thorough investigations are being conducted, because there is much reason for concern to learn that a businessman linked to the media has been this close to a coup attempt. It is truly very worrisome when you say, for example, that there were plans to carry out a propaganda campaign to discredit the government, to discredit the elections for the Democratic Constituent Congress. Mr. President: When will we know for sure?

[Fujimori] Well, we hope that the investigations will clarify all this. I do repeat, however, that Mr. Vera Gutierrez is not only linked to a television channel. He is also known for his close ties with Mr. Alan Garcia, but I do not want to make absolutely any deductions. I have even said already that the owner of the property on the Republic of Panama Avenue has nothing to do with the issue. Therefore, I repeat, I am not making any deductions. The investigations will report in due time.

[Iberico] How long ago did the intelligence services know about the planned coup?

[Fujimori] Well, it had some indications a few weeks ago, but specific details were available on the very same day, 12 November.

[Iberico] Mr. President: This has been evidently an attempt by a very small group. There are even some doubts as to how a group of retired generals could lead a movement to stage a coup d'etat. These movements generally have the support of at least one military region. In this case, the movement did not have the support of even one battalion. Evidently these persons wanted to unleash the discontent that exists within the Armed Forces over two issues. One issue is their salaries. We know that an officer, a captain who is on the front lines, who is struggling against death and terrorism, earns perhaps less than a woman who is a secretary—with all due respect for secretaries, but they do have very different responsibilities.

The other issue is the problem of the retirements announced in a supreme decree published on 13 November, and which do not include the six articles in the annex.

[Fujimori] Well, evidently salaries are low for all state employees. That is a fact. However, there is a difference in the morale of the Armed Forces and the National Police. Now there is a command that is determined to eliminate the greatest discontent and the greatest threat for the country, and that is the struggle against terrorism. In other words, although right now the economic situation is difficult—everyone understands that and I have not yet heard a proposed solution for this type of measure—there is nonetheless a high morale that is becoming an engine for continued work for the good of the country.

There was none of this in any of the two previous administrations. The one thing that strikes me from the gentlemen who have appeared in this panel discussion is that at no time have they proposed a strategy of pacification of the country. They speak to us about the poverty, the administration [words indistinct] always before the campaign.

Do you know, friends and television viewers, what would have happened if the parliament—if the former congressmen—had worked hard in the pacification task? Right now, we would be distributing \$1,000 to each one; for each child, woman, man. In other words \$1,000 for each one, because the actions of terrorism have cost us \$22 billion. In addition to having done absolutely nothing for pacification, they are now demanding that conditions be improved, and so forth.

Now, as for the other issue, that is, the retirements: This is a procedure that has always existed and has been implemented. In a certain way, this procedure even favors the young officers, because this results in renewal. These are invitations for renewal. It is a normal procedure in the Armed Forces, and the only thing that has been done is to formalize the regulations to Article 58 of the military law, a law that was approved by the Congress of the republic. In other words, that law was approved by the gentlemen who were sitting here.

[Iberico] However, what happened to the articles that have not been published in EL PERUANO and that could create doubts....

[Fujimori, interrupting] Probably, the Armed Forces command itself and the National Police are going to prepare them, or have already prepared them, and are going to send them for promulgation.

[Iberico] It is feared that some of these articles will allow intervention by the Executive Branch....

[Fujimori, interrupting] No, no.

[Iberico, continues] that they will not provide for the retirement of the officers, ranging from the captains to the generals?

[Fujimori] There is no intervention by the Executive Branch. Based on the command's proposal, the president of the republic is empowered to make these invitations for renewal.

[Iberico] Good. We have also discussed the issue of ethics within the Armed Forces. We have read a newspaper report to the effect that the Navy commander, Admiral (Alfredo Araya), is reportedly in Washington at this time testifying before the district attorney on the use of \$8 million. In addition to him, there reportedly are other people involved, including other high-ranking officers, the directors of economy and of materials of the Navy. Mr. President, could you provide more details on this information?

[Fujimori] Well, all of these admirals or high-ranking Navy officers who have occupied the posts of director of economy or naval attaché in Washington have been summoned by the office of the U.S. District Attorney. This is important, because we want to carry out a very thorough investigation to clarify this embezzlement and punish those who are responsible.

During the campaign, we have heard much about ethics. We are doing this in a very thorough manner, be this in the Armed Forces or any other. However, more serious work has to be done on this issue. It is not just a manner of delivering speeches or taking [words indistinct] of ethics. So far, there has not been a single punishment for those responsible for the huge embezzlements in the country. I am surprised, as some forget that some of these congressmen have belonged to previous administrations.

I ask myself: What happened with the embezzlement case at the People's Markets [Mercados del Pueblo]? It is necessary to remind people. We are talking about \$70 million, which Peru still owes.

What happened with the purchases of (El Pachitea) and (El Mantar)? Why were those responsible not punished? Some \$70 million were paid for two ships that are anchored in Callao bay. What about the \$70 million spent on the construction of the prisons? Business was being done behind the people's backs. What morals can these gentlemen talk about? What type of morals have they brought to the Judicial Branch in the past 10 years? Is that what they are trying to tell the people? No one believes them. Everyone knows about the tricky arrangements that existed with the (mock dollar), for example. Congress kept silent for years. The issue was raised some time later, probably just to negotiate with another immoral act. Some of those in Congress probably also benefited from the (mock dollar). That is the type of immorality which we Peruvians must definitely change. We definitely cannot return to that type of corrupt system.

[Iberico] We cannot disagree with the president. These cases must someday be punished.

[Fujimori] When? [repeats himself] When? The congressmen of the past did not do it.

[Iberico] We hope this new Congress will do it. To continue with the modernization of the Armed Forces, you said a commander had links with drug trafficking activities. It was a commander, who participated in this unsuccessful coup attempt. What can you tell us about this officer? What concrete information do you have in this regard?

[Fujimori] We are talking about Commander Zarate Rota, who last year participated in operations held in Alto Huallaga. He was deployed there. He is involved in drug trafficking activities. That is why he was dismissed from his post last week. He was a member of the Special Forces Division. His case is being processed.

[Iberico] The ties between certain Army officers and drug trafficking activities in Huallaga are never ending despite the actions being taken by the Air Force. We understand that you have concrete evidence of the suspicious activities or lack of activity of certain bases in Huallaga regarding drug trafficking planes?

[Fujimori] We are working and sharing information with the DEA on this. They know about it perfectly well. They are aware of the strategies that are being implemented to uncover the drug trafficking mafia. It is not a matter of taking action, but of uncovering the networks. It is just like the fight against terrorism. There is no sense in capturing a low-level terrorist or assistant right away because we are really trying to dismantle the entire network. We are working on that. This is very fine work which requires much patience and we are not looking for specific, concrete results. We want to capture the drug trafficking mafias that operate in Alto Huallaga.

[Iberico] Is the United States really helping Peru in the fight against drug trafficking. Are you really satisfied with this cooperation?

[Fujimori] The problem is very large. The amount of resources that are being used by Peru and by the drug traffickers is enormous. We are working in a very active manner, particularly in an efficient manner controlling the main coca producing areas. We do have some results. Unfortunately, we do not have the amount of cooperation needed for fighting against narcotics trafficking.

[Iberico] We would also like to know something about the situation of General Valdivia, who is chief of the Armed Forces Joint Staff, who is under a sort of friendly house arrest. We would like to return with the answer to these questions after the commercial break if you are so kind.

[Fujimori] Of course.

[Iberico] We now continue with our interview with President Alberto Fujimori. Before the commercial break we left a question pending. However, we would like to leave the question unsettled for a few more minutes since we were already discussing issues related

to ethics in the Armed Forces and before we start talking about General Valdivia. [sentence as heard] Senator Manuel Moreyra made an evaluation right here on this program of what Mr. Vladimiro Montesinos' presence really means. Mr. Moreyra asked what this gentleman's role is in all that is taking place. According to Mr. Moreyra, Montesinos was at one time legal adviser to drug traffickers, and his presence is causing some concern to certain Army sectors.

[Fujimori] Well, first of all, and this is the umpteenth time that I repeat it, Mr. Montesinos is and has been a National Intelligence Service [SIN] official. He has been a SIN lawyer, and probably one of the persons who made all those proposals used precisely in the struggle against drug trafficking. Just take a look at the situation. By implementing some of the proposals suggested by Mr. Montesinos by way of the SIN, the government has been able to promulgate several decrees that have been positive in the struggle against drug trafficking. For example: Do you remember the decrees Congress had repealed on laundering drug related funds? I strongly criticized that decision. Well, that decree, which congress decided to repeal, came about as a SIN proposal.

In addition, there is a very strange campaign taking place at this time against some state officials. I believe the public has been able to correctly interpret what is taking place. The SIN has been the preferred target of criticism by these former congressmen. Yet, the media never discloses information about those who are indeed drug traffickers, and have made fortunes worth millions of dollars. Inclusive, when the SIN or another state branch, I believe it was the SIN, proceeded to capture Mr. Dyer. I believe his full name is Samuel Dyer....

[Iberico, interrupting] Samuel Dyer, that is correct.

[Fujimori] They proceeded to capture him in (Dujia). A very unusual campaign broke out at the time, I would even dare say it was a paid campaign, from practically all the media to defend him. The gentleman was a drug trafficker. The media as a whole came out against the SIN as well as against one of its officials. Yet, not one media representative made any attempt to denounce Mr. Dyer as a drug trafficker.

[Iberico] That is something I found quite strange....

[Fujimori, interrupting] I understand perfectly, and you also understand quite well that when there are millions of dollars involved it is quite easy to manipulate the news. During the past few days, I have been criticizing the conduct of some media because they have been everything but objective. Happily, the public has become more critical of the information they are receiving and knows how to make their own deductions. The public tends not to let themselves be easily manipulated by information that distorts the truth. If Mr. Montesinos indeed had these [drug trafficking] connections, most likely the U.S. intelligence service, the CIA would not have any type of relations with Peru's SIN.

[Iberico] It has simply been said the....

[Fujimori, interrupting] In addition....

[Iberico, continuing] ...that he has been legal adviser to drug traffickers. But Mr. President....

[Fujimori, interrupting] If there is a genuine intention to expose the real drug traffickers, then I ask all the former congressmen: why did they not do it? If they were aware of [word indistinct], even with information from the intelligence service. No one said anything.

[Iberico] With respect to Mr....

[Fujimori, interrupting] Please allow me to continue. Mr. Dyers' example is a very pathetic case. The public should know about it. The media defended as a businessman.

[Iberico] With respect to....

[Fujimori, interrupting] A businessman with \$9 million.

[Iberico] It would have been preferable for the government to present all evidence that links this businessman with drug trafficking. In any case, there is still time to do it and investigate the evidence. Is this correct?

[Fujimori] Well, I have information that the media was also aware of this gentleman's activities. Yet the media launched an all out campaign to defend him.

[Iberico] Fine. What is happening with....

[Fujimori, interrupting] I hope my criticism does not annoy you, but I think it is time to call things by their names in Peru.

[Iberico] Mr. President, we will be happy to wait for the documents to arrive. We have no objection to making them known.

[Fujimori] Yes, of course. But you will do this after Mr. Dyer has already escaped. It would have been ideal if no campaign had been waged to defend him as a businessman. It is now that he is gone that there is talk about what could be done.

[Iberico] But who was responsible for his escape from the Little Pentagon?

[Fujimori] There was corruption. There was also pressure from the media.

[Iberico] The people who permitted Mr. Dyer's departure, have they been punished?

[Fujimori] There is this passing of the ball, so guilt has not been established yet. Much has yet to be done in Peru in the ethics field. When some people speak of ethics I ask: them to first tell me how the money allotted to popular market places—\$70 million—was used. Some of the people who participated in such allotments formed part of the Belaunde administration. There was an alliance. We are speaking of three times \$70 million. I

am speaking of three cases: \$210 million. And there are calls for improved social welfare programs and suggestions of why this and that is not being done, but look at all the money that has been lost, and what has happened to the people responsible for this? Why has the media not pursued this issue? It has given it the let's-forget-about-it-and-start-again treatment.

[Iberico] We have had more than one program on these kinds of charges. We are after the truth. We are prepared to receive the evidence.

[Fujimori] Gentlemen: As long as I am the president of the Republic there will be a new style here. It will be a new style of saying things just the way they are. I have nothing to negotiate; I have absolutely nothing to hide. I know perfectly well that some do not like this; the media, the former congressmen do not like this, and Congress is not going to like it [words indistinct]. Many here have said they are going to oversee the Executive Branch. Who is going to oversee Congress? I am not going to keep quiet when I see something immoral, when I see something crooked. That could happen, because it has been happening. The country definitely needs to be moralized. I am sure that the people support me to that effect.

[Iberico] We reiterate that we are prepared to make public all evidence on immorality cases.

[Fujimori] Thank you.

[Iberico] This has been the practice of this program. Regarding General Valdivia. What has happened with that military commander, with that trusted man who allegedly is under house arrest? What is new with him?

[Fujimori] The house arrest has been lifted, as I explained yesterday. I believe that providence determined that Gen. Valdivia did not show up for the emergency meeting with the commander at 1500 or 1530. He was not located. This was fortuitous. Jokes could be made out of this. Anyhow, his house arrest and that of General Block and other generals who could be in the same situation, will be lifted today.

[Iberico] The politicians who have been here have reiterated their concern about the possibility of Executive Branch meddling in the forthcoming Constituent Congress. They have wondered what could happen if some election regulations are not obeyed and are discarded by the Constituent Congress. What could you tell to those politicians?

[Fujimori] There is no basis for the criticism against the election rules. The two laws that deal with this matter have been included. These two laws were approved and ratified by the congressmen. They have now been modified to make them adequate for the new situation, for the election of the Constituent Congress. There is no reason for criticism in this regard. I can understand that when polls show that the popularity of some politicians

is so low, they get concerned, but if they defend democratic principles, as they say they do, then they should show respect for the people's decisions.

What happens is no one believes the same old arguments anymore. I felt depressed when I saw your previous program [words indistinct] night and I think the viewers' opinion about all these groundless arguments, which do not seek an honest way to achieve the country's development, is very depressing. Believe me, I do not know how these people fail to realize just how depressing this is for the viewers and how boring this is for the voters; or the fact this does not earn them the people's support. This does not mean the president will [words indistinct]. I will continue with my visits. I will open five enormous high schools within five weeks and I will continue to do this, whether there is [words indistinct] or not. We must necessarily start to work.

[Iberico] Democratic Constituent Congress [CCD] candidate Edmundo Murrugara has said something quite specific. He said that, according to regulations, the CCD members cannot annul the decrees issued since 4 April. These things cause concern, Mr. President.

[Fujimori] No, the CCD is fully authorized to revoke any decree but the decrees issued since 5 April, plus all the contracts, pacts, and measures that may have been adopted, are valid until the CCD is installed. This is part of a universal concept. If not, what would happen, for example, to all the laws approved throughout 12 years of military rule?

[Iberico] Mr. President, we are grateful for your visit. I do not know if you have anything to add in this segment... [pauses] for example, on economic issues, a topic that has also been discussed in this panel.

[Fujimori] Well, perhaps I may add something. In fact, there is a lot to talk about. I can talk about... [pauses] I can insist on one issue—the achievement of peace. It is interesting that, even though it has existed for 10 years, the Congress of the republic has failed to approve the appropriate laws for effective struggle against terrorism. It did absolutely nothing. It wasted its time in inane discussions. The three-day discussion to change the name of the capital of Cuzco [words indistinct] is famous. Few parliamentary members—some of them are candidates right now—have submitted effective laws to solve the country's problems.

One of the key issues that has caused the economic crisis is the problem of terrorism. No [words indistinct] and no economic development is possible with the terrorism that has prevailed for 12 years; and no economic program, no matter how optimum it may be, can work within this framework. Consequently—I am quite clear about this—I have always said the two previous governments are responsible for this. Even the military government is responsible for this because it failed to adopt effective measures in due time; and the congress, the former congress, failed to work seriously.

Specifically speaking, at a given moment during the government which existed in the first five years—an alliance between Popular Action and the PPC, and young PPC leaders should bear this in mind—Abimael Guzman Reynoso was surrounded at a house located between 4th Avenue and 5th Street. The government was notified in due time by deputy minister but absolutely no measure was adopted....

[Iberico, interrupting] No political decision was adopted.

[Fujimori] Instead, a press communique was issued—following a negotiation with the [words indistinct] ministry—so he would escape... [pauses] no, so he could seek political asylum in another country. This, I believe, is a fact few people know. That is why Peru now faces this situation, precisely because no political decision was adopted at any given time to crush Abimael Guzman's movement; and this was compounded by the immoral actions carried out at every level against the Peruvian people.

That is why the people have definitely [words indistinct] and the solution is clear. It is no longer a matter of endlessly discussing topics on television; it is a matter of working seriously. Serious work is carried out whenever [words indistinct] and the republic's budget is used rationally. Some people claim resources have been poorly used and the comptrollership does not exist—the usual trite arguments. What did the comptroller general of the republic do? I mentioned three cases in which [words indistinct]. Everything was tied up.

Slandorous statements are issued—that the government directly purchases things, that no bids are held, so on and so forth—but no one presents a single case in which a purchase proved detrimental to the country's interests. One of the major purchases we made was the (?materials) to build highways. We made a direct purchase because the country's highways were totally destroyed. They are better now. Ask the truck drivers. Not a single accusation has been filed. Why? Because it is perfectly well known the prices we paid were competitive at the world level. Those whose interests are at stake will surely defend some distributors, but we... [pauses] as far as I am concerned, my work will not stop.

We must moralize the entire public administration, completely: Armed Forces, Comptroller General's Office, all levels. We must also remain alert—with our eyes and ears—against corrupt deputies in Congress. In other words, we must all be overseers. The Executive Branch must be supervised, but the Legislative Branch will not be untouchable. In other words, it will not be a government branch that cannot be criticized [words indistinct]. In that sense, we must not be fearful of saying things. That is why I have been very critical. As I said, this is a new style.

Other presidents preferred to remain silent. Those who live in glass houses do not throw stones, of course. They

were submissive but, personally speaking, I believe we must counter corruption at every level. This must be done seriously.

[Iberico] Mr. President, we are grateful for your presence on "Counterpoint".

[Fujimori] Thank you. Good morning.

Two Injured in Lima Bomb Attacks

PA1711051892 Madrid EFE in Spanish 0428 GMT 17 Nov 92

[Text] Lima, 16 Nov (EFE)—Two people were injured in two terrorist attacks carried out in Lima on the night of 16 November. According to police sources, the attacks, which took place in the districts of Monterrico and Lince, also caused material damage.

Three explosive charges were placed by unidentified persons on a highway near Monterrico. The explosion injured a worker and a street vendor who were in the area and destroyed six tollbooths and a car.

The area where the bomb exploded is near a residential area where members of the Peruvian Air Force live, the police added.

The other terrorist attack occurred at the headquarters of Solidarity and Democracy (SODE) in Lince. This group will participate in the Peruvian Constituent Assembly elections on 22 November.

The explosion of a device caused considerable damage to the facade and interior of the facilities. It also affected an inn and several houses in the vicinity.

On 16 November the community center of San Juan de Miraflores also was attacked by terrorists, causing considerable damage to the building.

Article 58 Approved on Discharge of Officers

PA1311175692 Lima Radio Programas del Peru Network in Spanish 1651 GMT 12 Nov 92

[Text] On 13 November the government approved Article 58 of the Military Situation Law, which deals with Army, Navy, and Air Force officers. According to this article, weapons, command, and service officers, including majors, Navy lieutenant commanders, division generals, vice admirals, and lieutenant generals, can be discharged as a result of reorganization and in meeting with the needs of each of the services.

Shining Path Leader Huantay Receives Life Sentence

PA1411050692 Paris AFP in Spanish 0405 GMT 14 Nov 92

[Text] Lima, 13 Nov (AFP)—A special military judge sentenced Shining Path leader Martha Huantay to life

imprisonment on 13 November, Attorney General Daniel Espichan has announced.

Huantay will serve her sentence at a jail in Yanamayo, Puno, some 1,200 km southeast of Lima.

Although the trial was held in secret, it was officially reported that Huantay remained silent throughout the proceedings following the so-called "golden rule" that arrested Shining Path leaders impose upon themselves.

Her defense lawyer, however, said that "Huantay's silence was due to her poor health."

According to Peruvian law, the sentence can be appealed.

Huantay, 49, who is a professional lawyer, headed the Shining Path association "People's Help" ["Socorro Popular"] and was one of three female leaders who succeeded Shining Path leader Abimael Guzman after the police arrested him in September.

A month later Huantay was arrested in Lima—where the "People's Help" operated—and police believe she was replaced in the female leadership by Angelica Salas de la Cruz. The other two leaders are Teresa Durand Araujo and Margie Clavo.

Law Against Teachers Promoting Terrorism Noted

PA1311041192 Lima Global de Television Network in Spanish 0100 GMT 13 Nov 92

[Text] A law will be published next week to punish teachers who promote terrorism among their students, according to Education Minister Alberto Barillas.

[Begin recording] [Barillas] A draft bill is almost ready and should be published soon. The president will make the announcement, but it will be published any time now.

[Unidentified reporter] [Question indistinct]

[Barillas] Previous legislation has already addressed the crime of promoting terrorism. There is no sense in reiterating previous regulations. This is a very brief text that explains something that is obvious to all of us: Anyone who uses his position as a teacher to promote terrorism among students is violating the law.

[Reporter] Are you going to ask parents to report these teachers?

[Barillas] I will ask parents to report them, but they should be fair. They should not accuse teachers for personal reasons. For example, someone should not report the teacher who gave him a failing grade in mathematics. We must avoid that. I believe the problem is extremely serious, and we have to treat it seriously. [end recording]

Venezuela

Rebel Group Occupies Barquisimeto Radio Station

PA1611134992 Mexico City NOTIMEX in Spanish 1301 GMT 16 Nov 92

[Text] Caracas, 16 Nov (NOTIMEX)—An alleged rebel group attacked a western Venezuelan radio station on 16 November. The rebels injured an employee and forced the radio announcer to broadcast a message against President Carlos Andres Perez.

According to "Radio Mundial Tricolor" in Barquisimeto, 350 km west of Caracas, a group of eight hooded people toting rifles took over the radio station at 0535 (0935 GMT) and broadcast a proclamation. The Barquisimeto journalist who reported the incident did not reveal the full text of the proclamation.

In general, the source said, the message rejected Perez' "economic and social policy," condemned the crisis in the country—which has worsened after the foiled military coup in February—and criticized the current process to reform the 1961 Constitution.

According to the source, radio operator Giovanni Capiello was injured but the nature of the injury was not specified. The source added that announcer Felix Castaneda was tied up and that a female voice had broadcast the rebel's message.

The group remained in the station approximately five minutes and left. An hour later, at 0640 (1040 GMT,) a male voice claimed responsibility for the action for the unknown Revolutionary Armed Forces of the People (Fuerzas Armadas Revolucionarias del Pueblo) by telephone.

Caracas "Radio Rumbos," which joined the attacked radio station in network, reported that the Barquisimeto National Guard and metropolitan police have launched an extensive operation to find the alleged rebels.

Broadcasts Message Against Government

PA1611145292 Paris AFP in Spanish 1359 GMT 16 Nov 92

[Text] Barquisimeto, Venezuela, 16 Nov (AFP)—Alleged rebels identified as members of the unknown 27 February Revolutionary Armed Forces [Fuerzas Armadas Revolucionarias 27 de Febrero] in the pre-dawn hours of 16 November took over radio station Mundial Tricolor in Barquisimeto, and issued a message against the government of President Carlos Andres Perez.

Station director Carlos Argenis Lugo told AFP that six masked persons armed with machine-guns and pistols took over the radio station in this western city. They subdued the four workers who were there and broadcast a tape accusing the Perez administration of exercising a

[words indistinct] transmission, recorded by a female voice was interrupted from outside by statements of the station director.

When those who were occupying the radio station realized the tape was not being broadcast, they left the station, Lugo reported.

The existence of this group was unknown in Venezuela. The group's name "27 February [words indistinct] refers to the violent looting and riots known as the "Caracazo," which in 1989, a few weeks after the inauguration of Perez, left approximately 400 people dead.

Two months ago, the so-called Bolivarian Liberation Forces appeared. So far this group has claimed responsibility for three attacks against personalities accused of corruption.

Device Explodes, Causes Fire at Central University

PA1311172692 Paris AFP in Spanish 1636 GMT 13 Nov 92

[Text] Caracas, 13 Nov (AFP)—A device exploded early on 13 November at the Central University of Venezuela (UCV) cafeteria, in central eastern Caracas, causing a fire that was quickly controlled, university authorities reported to AFP.

The explosive device was placed at the university cafeteria workers' labor union headquarters and damaged furniture and walls, but no casualties were reported, Technical Judicial Police (PTJ) reported to AFP.

There is still no information on the perpetrators of this attack.

Student movement spokesmen have carried out "terrorist activities like these" arguing that violence is not the way to solve the country's problems. [sentence as received]